Date: January 29, 2020

To: Chief School Administrators, Charter School and Renaissance School Project Leads
Route To: School Business Administrators, Directors of Special Education, SEMI Coordinators

From: Peggy McDonald, Ed.D., Assistant Commissioner

Division of Student Services

Kevin Dehmer, Assistant Commissioner/CFO

Division of Finance

Special Education Medicaid Initiative FY 2021 Reimbursement Requirements

The New Jersey Department of Education (NJDOE) is providing information regarding the Special Education Medicaid Initiative (SEMI) program relevant to the Fiscal Year 2021 budget submissions. Specifically, this memo addresses SEMI budget requirements, alternate reimbursement revenue projection requirements, waiver requirements, action plan requirements for districts that did not maximize SEMI participation in FY 2019, and SEMI timelines.

Background

In accordance with *N.J.S.A.* 18A:55-3, school districts are required to maximize their participation in the SEMI program. The <u>Fiscal Accountability Regulations</u> at *N.J.A.C.* 6A:23A-5.3 contain the requisite SEMI programmatic guidelines and standards. The NJDOE County Offices of Education will provide districts with their individual FY 2021 SEMI reimbursement revenue projection and their final SEMI reimbursement revenue achieved for FY 2019. This information will help districts monitor their progress, assist in the FY 2021 budget submission, and aid in determining if alternate reimbursement revenue projections or waivers should be considered. Please review <u>Attachment A</u> for a sample of how this information will be shared and an explanation of how SEMI reimbursement revenue projections are calculated for New Jersey school districts.

All alternate reimbursement revenue projections, waiver requests, and action plans must be submitted to the NJDOE's Executive County Superintendent for review and approval in accordance with the timelines below.

SEMI Budget Requirements

In preparation of its annual budget submission to the Executive County Superintendent, each district shall recognize as reimbursement revenue no less than 90 percent of their SEMI reimbursement revenue projection provided by the NJDOE. This amount will be entered on line 540, unless the district has received a waiver or submitted an alternate SEMI reimbursement revenue projection that was approved in the "SEMI support doc" by the Executive County Superintendent. See Attachment B for considerations regarding waivers and alternate reimbursement revenue projections.

SEMI Alternative Budget, Waiver and Action Plan Requirements

The SEMI alternate reimbursement revenue projection and the SEMI waiver request must be submitted to the Executive County Superintendent **no later than 45 days prior to the submission of the district's proposed budget**, pursuant to *N.J.S.A.* 18A:7F-5(c) and *N.J.S.A.* 18A:7F-39. A district may seek approval to use its own projection of SEMI reimbursement revenue upon demonstration that the assumptions it used in calculating the projection are more accurate than the projection provided.

A district may submit a waiver request only if it is projected to have 40 or fewer Medicaid-eligible special education students for the 2020-2021 school year. The Executive County Superintendent will render a decision on waivers within 20 days of receipt of the waiver request. SEMI action plans, if required, must be submitted to the Executive County Superintendent as part of the district's proposed budget submission.

Please note the due dates for submitting SEMI alternate reimbursement revenue projections, SEMI waivers, and SEMI action plans could be revised to conform with the state aid notification date that follows the Governor's State Budget Message, pursuant to *N.J.S.A.* 18A:7F-5(c). Please refer to the 2020 School Election and Budget Procedures Calendar for due dates of the proposed budget.

More information on SEMI can be found on the Department of the Treasury State SEMI website.

Contact information

If you have questions or need assistance, please contact your County Supervisor of Child Study or:

- Jacqueline Grama, NJDOE Office of School Finance, at (609) 376-3679 or semi@doe.nj.gov
- Steven Pasternak, NJDOE Office of Special Education Policy and Dispute Resolution, at (609) 376-9060 or semi@doe.nj.gov
- The NJ EDPlan[™] Team Help Desk, Public Consulting Group at (609) 275-0250, ext. 1 or <u>njsemi@pcgus.com</u>.
- c: Members, State Board of Education Lamont O. Repollet, Ed.D., Commissioner NJDOE Staff Statewide Parent Advocacy Network Garden State Coalition of Schools NJ LEE Group Catherine Nichols Matthew J. Shaw