Date: January 27, 2021

To: Chief School Administrators, Charter School and Renaissance School Project Leads

Route To: School Business Administrators, Directors of Special Education, SEMI Coordinators

From: Kevin Dehmer, Assistant Commissioner

Division of Finance

Peggy McDonald, Ed.D., Assistant Commissioner

**Division of Student Services** 

Deadline: See timelines below

# Special Education Medicaid Initiative (SEMI) Fiscal Year 2022 Reimbursement Revenue Projections

The New Jersey Department of Education (NJDOE) is providing information regarding the Special Education Medicaid Initiative (SEMI) program, pertinent to the FY2022 budget submission. 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 FY2020, and SEMI timelines. The NJDOE understands that due to the COVID-19 public health emergency, many districts failed to meet one or both SEMI program benchmarks. The difficulty of meeting district benchmarks due to the COVID-19 public health emergency will be considered during review of Corrective Action Plans and the sample Corrective Action Plan accounts for such circumstances.

### Background

In accordance with *N.J.S.A.* 18A:55-3, school districts are required to maximize their participation in the SEMI program and the <u>Fiscal Accountability Regulations</u> at *N.J.A.C.* 6A:23A-5.3 contain the requisite SEMI programmatic guidelines and standards. In the coming days, the NJDOE County Offices will provide districts with their individual FY2022 SEMI reimbursement revenue projection and their final SEMI reimbursement revenue achieved for FY2020. This information will help districts monitor their progress, assist in the FY2022 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 is displayed 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 preparing 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 <a href="Attachment B">Attachment B</a> for considerations regarding waivers and alternate reimbursement revenue projections.

#### **SEMI Timelines**

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 that projection are more accurate than the projection provided.

A district may only submit a waiver request if it is projected to have 40 or fewer Medicaid-eligible special education students for the 2021-2022 school year. The Executive County Superintendent will render a decision 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.

Note that the due dates for submitting SEMI alternate reimbursement revenue projections, SEMI waivers, and SEMI action plans may 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 2021 School Election and Budget Procedures Calendar for due dates of the proposed budget.

More information on SEMI can be found on the New Jersey 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, (609) 376-3679, semi@doe.nj.gov
- Steven Pasternak, NJDOE, (609) 376-9060, semi@doe.nj.gov
- The NJ EDPlan™ Client Support Team, Public Consulting Group, (609) 275-0250, extension 1, njsemi@pcgus.com
- c: Members, State Board of Education
  Angelica Allen-McMillan, Ed.D., Acting Commissioner of Education
  NJDOE Staff
  Statewide Parent Advocacy Network
  Garden State Coalition of Schools
  NJ LEE Group