

**Warren-Alvarado-Oslo District 2176
Third Party Payment Policy**

I. PURPOSE

This policy is to set forth the position of the district, which is required to obtain payment or a denial from private insurance companies if a child has private insurance. "Blanket denials" are not acceptable. Warren-Alvarado-Oslo District 2176 cannot accept any one denial for one child from a private health plan as a denial for all children with that particular private health plan.

II. GENERAL STATEMENT

Nothing relieves an insurer or similar third party from an otherwise valid obligation to pay, or changes the validity of an obligation to pay, for services rendered to a child with a disability, and the child's family. Eligible expenditures must not be made from Federal funds or funds used to match other Federal funds. Any Federal disallowances are the responsibility of the school. Warren-Alvarado-Oslo District 2176 may pay or reimburse co-payments, coinsurance, deductibles, and other enrollee cost-sharing amounts, on behalf of the student or family, in connection with health and related services provided under an individual education plan.

III. RESPONSIBILITIES

- A. 1. Beginning July 1, 2000, districts shall seek reimbursement from insurers and similar third parties for the cost of services provided by the district whenever the services provided by the district are otherwise covered by the child's health coverage. Warren-Alvarado-Oslo District 2176 shall request, but may not require, the child's family to provide information about the child's health coverage when a child with a disability begins to receive services from the district of a type that may be reimbursable, and shall request, but may not require, updated information after that is needed.
2. For children enrolled in medical assistance or Minnesota Care who have no other health coverage, Warren-Alvarado-Oslo District 2176 shall provide an initial written notice to the enrolled child's parent or legal representative of its intent to seek reimbursement from medical assistance or Minnesota Care for the individual education plan health-related services provided by the district.
3. Warren-Alvarado-Oslo District 2176 shall give the parent or legal representative annual written notice of:
 - a. The district's intent to seek reimbursement from medical assistance or Minnesota Care for individual education plan health-related services by the district;
 - b. The right of the parent or legal representative to request a copy of all records concerning individual education plan health-related services disclosed by the district to any third party; and
 - c. The right of the parent or legal representative to withdraw consent for disclosure of a child's records at any time without consequence.

The written notice shall be provided as part of the written notice required by Code of Federal Regulations, title 34, section 300.504.
4. In order to access the private health care coverage of a child who is covered by private health care coverage in whole or in part, a district must:
 - a. Obtain annual written informed consent from the parent or legal representative
 - b. Inform the parent or legal representative that a refusal to permit the district or State Medicaid agency to access their private health care coverage does not relieve the district of its responsibility to provide all services necessary to provide free and appropriate public education at no cost to the parent or legal representative.

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5. If the commissioner of human services obtains Federal approval to exempt covered individual education plan health-related services from the requirement that private health care coverage refuse payment before medical assistance may be billed, paragraphs B, C, and D shall also apply to students with a combination of private health care coverage and health care coverage through medical assistance or Minnesota Care.
 6. In the event that Congress or and Federal agency or the Minnesota legislature or any State agency establishes lifetime limits, limits for any health care services, cost-sharing provisions, or otherwise provides that individual education plan health-related services impact benefits for persons enrolled in medical assistance or Minnesota Care, the amendments to this subdivision adopted in 2002 are repealed on the effective date of any Federal or State law or regulation that imposes the limits. In that event, districts must obtain informed consent consistent with this subdivision as it existed prior to the 2002 amendments and subdivision 5, before seeking reimbursement for children enrolled in medical assistance under Chapter 256B or Minnesota Care under Chapter 256L who have no other health care coverage.
- B. Of the reimbursements received, districts may:
- a. Retain an amount sufficient to compensate the district for its administrative costs of obtaining reimbursements;
 - b. Regularly obtain from education and health-related entities training and other appropriate technical assistance designed to improve the district's ability to determine which services are reimbursable and to seek timely reimbursement in a cost-effective manner; or
 - c. Reallocate reimbursements for the benefit of students with special needs in the district.
- C. To the extent required by Federal law, a school district may not require parents of children with disabilities, if they would incur a financial cost, to use private or public health coverage to pay for the services that must be provided under an individual education plan.
- D. When obtaining informed consent to bill health plans for covered services, the school district must notify the legal representative 1) that the cost of the person's private health insurance premium may increase due to providing the covered service in a school setting, 2) that the school district may pay certain enrollee health plan costs, including but not limited to, co-payments, coinsurance, deductibles, individual service plan, or individual family service plan, and 3) that the school's billing for each type of covered service may affect service limits and prior authorization thresholds. The informed consent may be revoked in writing at any time by the person authorizing the billing of the health plan.
- E. To the extent required by Federal law, no school district may deny, withhold, or delay any service that must be provided under an individual education plan because a family has refused to provide informed consent to bill a health plan for services or a health plan company has refused to pay any, all, or a portion of the cost of services billed.
- F. The school district may disclose information contained in a student's individual education plan consistent with paragraph Al., including records of the student's diagnosis and treatment, to a health plan company only with the signed and dated consent of the student's parent, or other legally authorized individual. The school district shall disclose on that information necessary for the health plan company to decide matters of coverage and payment. A health plan company may use the information only for making decisions regarding coverage and payment, and for any other use permitted by law.
- G. Nothing in this section relieves an insurer or similar third party from an otherwise valid obligation to pay, or changes the validity of an obligation to pay, for services rendered to a child with a disability and the child's family.
- H. A county human services agency and county board must continue to provide services set forth in their county social service agency plan. The county human services agency or county board must serve children with disabilities under age five and their families, or as

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specified in the Individual Family Service Plan for children with disabilities, birth through age two, or the individual service plan of each child. Special instruction and related services for which a child with a disability is eligible under this section are the responsibility of the local school board to coordinate, provide, and pay for all appropriate services required in Minn.Stat.1256A.29 and to facilitate payment for services from public and private sources.