

06/13/2016

To: Co-chairmen Senator Coe and Representative Northrup, Joint Education Committee

From: Dicky Shanor, WDE Chief of Staff; Korin Schmidt, WDH Deputy Director

Re: Joint Education Committee Meeting June 13-14, 2016
4. Medically Necessary Placements (Priority #7)

Dear Co-chairmen and Committee Members,

The topic of medically necessary placements in Wyoming involves numerous public and private entities, overlapping federal, state, and local laws, necessary services for some of our most vulnerable youth, and millions of dollars in public funding. The legislature took a big step in addressing some issues related to this topic by passing Senate File 94 in the 2016 Budget Session. However, much work remains to be done by state agencies and local entities involved in these placements.

The Wyoming Department of Education (WDE), Wyoming Department of Health (WDH), Wyoming Department of Family Services (DFS), and other state and local entities, are working together to align rule and policy at the state and local level to the requirements of SF94, and to strategically address other related issues facing all of us when it comes to placements in treatment facilities.

Senate File 94 Background

The main impetus behind SF94 was a policy change implemented by DFS in having children in need of medical treatment avoid the judicial process. This judicial circumvention resulted in numerous kids being placed into psychiatric residential treatment facilities (PRTFs) without a court order. Without a court order, the WDE could not reimburse the facilities for education expenses. This left a hole in the budget of these facilities. It also left funding in the WDE's court ordered placement (COPS) account that would have been used on these kids had they been placed by court order in the PRTFs. Enter SF94.

Senate File 94 Nuts and Bolts

This bill allows the WDE to pay for children placed in PRTFs if the WDH has determined such placement is medically necessary. The WDE's authority to pay only applies to WDH approved placements for Medicaid kids and does not include private placements into other



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facilities such as residential treatment centers (RTCs) or group homes. SF94 also places a duty on the PRTF to notify both the WDE and the student's local school district about the placement and arrangement for provision of educational services.

Changes Going Forward

The agencies mentioned above have worked diligently on updating related rules and policies since the session. The most significant changes will occur in Chapter 14 of the WDE's rules. We are working to align Chapter 14 to Senate File 94 and simultaneously address any other issues related to the topic that we can within our legal authority. Both WDH and DFS have had significant input in the proposed changes to WDE's rules. We anticipate having draft rules to the appropriate approving entities prior to July 1.

A succinct explanation of Chapter 14's contents is as follows:

(1) Related statutes W.S. § 21-13-315 and W.S. § 21-13-336.

(2) Definitions of approved education programming, Psychiatric Treatment Facilities, Residential Treatment Centers, and Group Homes.

(3) Facility requirements for education approval such as obtaining appropriate licenses and accreditation, passing inspections, submitting assurances, and creating individualized learning plans.

(4) Fiscal requirements such as evidence of actual costs, court orders, notice of intake and discharge, and WDH and other necessary agency approval.

(5) Rate setting process is based on the calculated rate of an independent consultant that must follow certain guidelines in arriving at that calculation.

(6) Responsibilities of resident school districts such as the provision of education services and reasonable accommodation for transitioning students.

Thank you for your time and consideration.

Sincerely,

Dicky Shanor
Chief of Staff
WDE