

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 32.1-325, 32.1-326.2, 54.1-2603, and 54.1-3606 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 22.1-274.02, relating to school division participation in medical assistance services.

[S 1199]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 32.1-325, 32.1-326.2, 54.1-2603, and 54.1-3606 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 22.1-274.02 as follows:

§ 22.1-274.02. Certain memorandum of agreement required.

A. The Superintendent of Public Instruction or his designee and the Director of the Department of Medical Assistance Services or his designee shall develop and execute a memorandum of agreement relating to pilot school/community health centers and special education health services that are delivered by school divisions to public school students. The memorandum of agreement shall clearly differentiate between the two programs and the services which may be delivered by the specific programs and shall note that the pilot school/community health centers deliver services to Medicaid-eligible regular students and to Medicaid-eligible disabled students who are eligible for special education whereas the special education health services programs only deliver services to Medicaid-eligible disabled students who are eligible for special education. This memorandum of agreement shall be revised on a periodic basis; however, the agreement shall, at a minimum, be revised and executed within six months of the inauguration of a new governor in order to maintain policy integrity.

B. The agreement shall include, but need not be limited to, (i) requirements for regular and consistent communications and consultations between the two departments and with school division personnel and officials and school board representatives; (ii) a specific and concise description and history of the federal Individuals with Disabilities Education Act, a summary of school division responsibilities pursuant to the Individuals with Disabilities Education Act, and a summary of any corresponding state law which influences the scope of these responsibilities; (iii) a specific and concise summary of the then-current Department of Medical Assistance Services' regulations regarding the pilot school/community health centers and the special education health services programs; (iv) assignment of the specific responsibilities of the two state departments for the operation of the pilot school/community health centers and special education health services programs; (v) a schedule of issues to be resolved through the regular and consistent communications process, including, but not limited to, ways to integrate and coordinate care between the Department of Medical Assistance Services' managed care providers and the pilot school/community health centers and the special education health services programs; (vi) a process for the evaluation of the services which may be delivered by school divisions participating as pilot school/community health centers or special education health services providers pursuant to Medicaid which differentiates between the pilot school/community health centers and the special education health services; and (vii) a plan and schedule to reduce the administrative and paperwork burden of Medicaid participation on school divisions in Virginia.

C. The Board of Education shall cooperate with the Board of Medical Assistance Services in developing a form to be included in the Individualized Education Plan (IEP) that shall be accepted by the Department of Medical Assistance Services as the plan of care (POC) and in collecting the data necessary to establish separate and specific Medicaid rates for the IEP meetings and other services delivered by school divisions to students.

The Board shall also assist in all necessary ways in the development, by the Board of Medical Assistance Services, of mechanisms to reduce the burden on the school divisions of determining eligibility and obtaining physicians' orders and parental consent to services. Such mechanisms shall include, but need not be limited to, the insertion of a clause in the application forms for medical assistance services and any other programs administered by the Department of Medical Assistance Services providing for parental consent to release, in compliance with the federal Family Education Rights and Privacy Act (FERPA), 20 U.S.C. § 1232q, any minor's record for the purpose of delivery and billing by pilot school/community health centers and special education health services programs pursuant to the Medicaid program and other programs operated by the Department of Medical Assistance Services. The Department of Medical Assistance Services shall state, in writing, the effect of

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57 *such clause. School divisions shall, in the implementation of such clause, disclose to the parents,*
 58 *specifically and clearly, this consent mechanism. Such consent shall be maintained by either the*
 59 *Department of Medical Assistance Services or the Department of Education in accordance with the*
 60 *then-current memorandum of agreement.*

61 *D. For the purposes of this section, "special education health services" means those medically*
 62 *necessary related services which are provided to students with disabilities pursuant to the federal*
 63 *Individuals with Disabilities Education Act (IDEA) when such students are eligible for special education*
 64 *and medical assistance services and the services are required by the students' Individualized Education*
 65 *Plans and are reimbursable through the Virginia Medicaid program.*

66 § 32.1-325. Board to submit plan for medical assistance services to Secretary of Health and Human
 67 Services pursuant to federal law; administration of plan; contracts with health care providers.

68 A. The Board, subject to the approval of the Governor, is authorized to prepare, amend from time to
 69 time and submit to the Secretary of the United States Department of Health and Human Services a state
 70 plan for medical assistance services pursuant to Title XIX of the United States Social Security Act and
 71 any amendments thereto. The Board shall include in such plan:

72 1. A provision for payment of medical assistance on behalf of individuals, up to the age of
 73 twenty-one, placed in foster homes or private institutions by private, nonprofit agencies licensed as
 74 child-placing agencies by the Department of Social Services or placed through state and local subsidized
 75 adoptions to the extent permitted under federal statute;

76 2. A provision for determining eligibility for benefits for medically needy individuals which
 77 disregards from countable resources an amount not in excess of \$2,500 for the individual and an amount
 78 not in excess of \$2,500 for his spouse when such resources have been set aside to meet the burial
 79 expenses of the individual or his spouse. The amount disregarded shall be reduced by (i) the face value
 80 of life insurance on the life of an individual owned by the individual or his spouse if the cash surrender
 81 value of such policies has been excluded from countable resources and (ii) the amount of any other
 82 revocable or irrevocable trust, contract, or other arrangement specifically designated for the purpose of
 83 meeting the individual's or his spouse's burial expenses;

84 3. A requirement that, in determining eligibility, a home shall be disregarded. For those medically
 85 needy persons whose eligibility for medical assistance is required by federal law to be dependent on the
 86 budget methodology for Aid to Families with Dependent Children, a home means the house and lot used
 87 as the principal residence and all contiguous property. For all other persons, a home shall mean the
 88 house and lot used as the principal residence, as well as all contiguous property, as long as the value of
 89 the land, exclusive of the lot occupied by the house, does not exceed \$5,000. In any case in which the
 90 definition of home as provided here is more restrictive than that provided in the state plan for medical
 91 assistance in Virginia as it was in effect on January 1, 1972, then a home means the house and lot used
 92 as the principal residence and all contiguous property essential to the operation of the home regardless
 93 of value;

94 4. A provision for payment of medical assistance on behalf of individuals up to the age of
 95 twenty-one, who are Medicaid eligible, for medically necessary stays in acute care facilities in excess of
 96 twenty-one days per admission;

97 5. A provision for deducting from an institutionalized recipient's income an amount for the
 98 maintenance of the individual's spouse at home;

99 6. A provision for payment of medical assistance on behalf of pregnant women which provides for
 100 payment for inpatient postpartum treatment in accordance with the medical criteria, outlined in the most
 101 current version of or an official update to the "Guidelines for Perinatal Care" prepared by the American
 102 Academy of Pediatrics and the American College of Obstetricians and Gynecologists or the "Standards
 103 for Obstetric-Gynecologic Services" prepared by the American College of Obstetricians and
 104 Gynecologists. Payment shall be made for any postpartum home visit or visits for the mothers and the
 105 children which are within the time periods recommended by the attending physicians in accordance with
 106 and as indicated by such Guidelines or Standards. For the purposes of this subdivision, such Guidelines
 107 or Standards shall include any changes thereto within six months of the publication of such Guidelines
 108 or Standards or any official amendment thereto;

109 7. A provision for payment of medical assistance for high-dose chemotherapy and bone marrow
 110 transplants on behalf of individuals over the age of twenty-one who have been diagnosed with
 111 lymphoma or breast cancer and have been determined by the treating health care provider to have a
 112 performance status sufficient to proceed with such high-dose chemotherapy and bone marrow transplant.
 113 Appeals of these cases shall be handled in accordance with the Department's expedited appeals process;

114 8. A provision identifying entities approved by the Board to receive applications and to determine
 115 eligibility for medical assistance;

116 9. A provision for breast reconstructive surgery following the medically necessary removal of a
 117 breast for any medical reason. Breast reductions shall be covered, if prior authorization has been

obtained, for all medically necessary indications. Such procedures shall be considered noncosmetic;

10. A provision for payment of medical assistance for annual pap smears;

11. A provision for payment of medical assistance services for prostheses following the medically necessary complete or partial removal of a breast for any medical reason;

12. A provision for payment of medical assistance which provides for payment for forty-eight hours of inpatient treatment for a patient following a radical or modified radical mastectomy and twenty-four hours of inpatient care following a total mastectomy or a partial mastectomy with lymph node dissection for treatment of disease or trauma of the breast. Nothing in this subdivision shall be construed as requiring the provision of inpatient coverage where the attending physician in consultation with the patient determines that a shorter period of hospital stay is appropriate;

13. A requirement that certificates of medical necessity for durable medical equipment and any supporting verifiable documentation shall be signed, dated, and returned by the physician and in the durable medical equipment provider's possession within sixty days from the time the ordered durable medical equipment and supplies are first furnished by the durable medical equipment provider;

14. A provision for payment of medical assistance to (i) persons age fifty and over and (ii) persons age forty and over who are at high risk for prostate cancer, according to the most recent published guidelines of the American Cancer Society, for one PSA test in a twelve-month period and digital rectal examinations, all in accordance with American Cancer Society guidelines. For the purpose of this subdivision, "PSA testing" means the analysis of a blood sample to determine the level of prostate specific antigen; and

15. A provision for payment of medical assistance for low-dose screening mammograms for determining the presence of occult breast cancer. Such coverage shall make available one screening mammogram to persons age thirty-five through thirty-nine, one such mammogram biennially to persons age forty through forty-nine, and one such mammogram annually to persons age fifty and over. The term "mammogram" means an X-ray examination of the breast using equipment dedicated specifically for mammography, including but not limited to the X-ray tube, filter, compression device, screens, film and cassettes, with an average radiation exposure of less than one rad mid-breast, two views of each breast; and

16. A provision, when in compliance with federal law and regulation and approved by the Health Care Financing Administration, for payment of medical assistance services delivered to Medicaid-eligible students, including students with disabilities who are eligible for both medical assistance and special education, when such services are reimbursed by the Virginia Medicaid program and may be provided by school divisions pursuant to the pilot school/community health centers or the special education health services programs; such provision shall, when in compliance with federal law and regulation and approved by the Health Care Financing Administration, establish school division providers of medical assistance services, whether pilot school/community health centers or special education health services programs, as a separate and stand-alone category of provider, with appropriate rates and professional credentials for providing medical assistance services within school divisions solely to Medicaid-eligible students, including students with disabilities who are eligible for special education.

In preparing the plan, the Board shall work cooperatively with the State Board of Health to ensure that quality patient care is provided and that the health, safety, security, rights and welfare of patients are ensured. The Board shall also initiate such cost containment or other measures as are set forth in the appropriations act. The Board may make, adopt, promulgate and enforce such regulations as may be necessary to carry out the provisions of this chapter.

Before the Board acts on a regulation to be published in the Virginia Register of Regulations pursuant to § 9-6.14:7.1, the Board shall examine the potential fiscal impact of such regulation on local boards of social services. For regulations with potential fiscal impact, the Board shall share copies of the fiscal impact analysis with local boards of social services prior to submission to the Registrar. The fiscal impact analysis shall include the projected costs/savings to the local boards of social services to implement or comply with such regulation and, where applicable, sources of potential funds to implement or comply with such regulation.

The Board's regulations shall incorporate sanctions and remedies for certified nursing facilities established by state law, in accordance with 42 C.F.R. § 488.400 et seq. "Enforcement of Compliance for Long-Term Care Facilities With Deficiencies."

In order to enable the Commonwealth to continue to receive federal grants or reimbursement for medical assistance or related services, the Board, subject to the approval of the Governor, may adopt, regardless of any other provision of this chapter, such amendments to the state plan for medical assistance services as may be necessary to conform such plan with amendments to the United States Social Security Act or other relevant federal law and their implementing regulations or constructions of these laws and regulations by courts of competent jurisdiction or the United States Secretary of Health

179 and Human Services.

180 In the event conforming amendments to the state plan for medical assistance services are adopted, the
 181 Board shall not be required to comply with the requirements of Article 2 (§ 9-6.14:7.1 et seq.) of
 182 Chapter 1.1:1 of Title 9. However, the Board shall, pursuant to the requirements of § 9-6.14:4.1, (i)
 183 notify the Registrar of Regulations that such amendment is necessary to meet the requirements of federal
 184 law or regulations or because of the order of any state or federal court, or (ii) certify to the Governor
 185 that the regulations are necessitated by an emergency situation. Any such amendments which are in
 186 conflict with the Code of Virginia shall only remain in effect until July 1 following adjournment of the
 187 next regular session of the General Assembly unless enacted into law.

188 B. The Director of Medical Assistance Services is authorized to administer such state plan and to
 189 receive and expend federal funds therefor in accordance with applicable federal and state laws and
 190 regulations; and to enter into all contracts necessary or incidental to the performance of the Department's
 191 duties and the execution of its powers as provided by law.

192 C. The Director of Medical Assistance Services is authorized to enter into agreements and contracts
 193 with medical care facilities, physicians, dentists and other health care providers where necessary to carry
 194 out the provisions of such state plan. Any such agreement or contract shall terminate upon conviction of
 195 the provider of a felony. In the event such conviction is reversed upon appeal, the provider may apply
 196 to the Director of Medical Assistance Services for a new agreement or contract. Such provider may also
 197 apply to the Director for reconsideration of the agreement or contract termination if the conviction is not
 198 appealed, or if it is not reversed upon appeal.

199 The Director may refuse to enter into or renew an agreement or contract with any provider which
 200 has been convicted of a felony. In addition, the Director may refuse to enter into or renew an agreement
 201 or contract with a provider who is or has been a principal in a professional or other corporation when
 202 such corporation has been convicted of a felony.

203 In any case in which a Medicaid agreement or contract is denied to a provider on the basis of his
 204 interest in a convicted professional or other corporation, the Director shall, upon request, conduct a
 205 hearing in accordance with the Administrative Process Act (§ 9-6.14:1 et seq.) regarding the provider's
 206 participation in the conduct resulting in the conviction.

207 The Director's decision upon reconsideration shall be consistent with federal and state laws. The
 208 Director may consider the nature and extent of any adverse impact the agreement or contract denial or
 209 termination may have on the medical care provided to Virginia Medicaid recipients.

210 When the services provided for by such plan are services which a clinical psychologist or a clinical
 211 social worker or licensed professional counselor or clinical nurse specialist is licensed to render in
 212 Virginia, the Director shall contract with any duly licensed clinical psychologist or licensed clinical
 213 social worker or licensed professional counselor or licensed clinical nurse specialist who makes
 214 application to be a provider of such services, and thereafter shall pay for covered services as provided in
 215 the state plan. The Board shall promulgate regulations which reimburse licensed clinical psychologists,
 216 licensed clinical social workers, licensed professional counselors and licensed clinical nurse specialists at
 217 rates based upon reasonable criteria, including the professional credentials required for licensure.

218 D. The Board shall prepare and submit to the Secretary of the United States Department of Health
 219 and Human Services such amendments to the state plan for medical assistance as may be permitted by
 220 federal law to establish a program of family assistance whereby children over the age of eighteen years
 221 shall make reasonable contributions, as determined by regulations of the Board, toward the cost of
 222 providing medical assistance under the plan to their parents.

223 E. The Department shall include in its provider networks and all of its health maintenance
 224 organization contracts a provision for the payment of medical assistance on behalf of individuals up to
 225 the age of twenty-one who have special needs and who are Medicaid eligible, including individuals who
 226 have been victims of child abuse and neglect, for medically necessary assessment and treatment services,
 227 when such services are delivered by a provider which specializes solely in the diagnosis and treatment
 228 of child abuse and neglect, or a provider with comparable expertise, as determined by the Director.

229 F. The Director is authorized to negotiate and enter into agreements for services rendered to eligible
 230 recipients with special needs. The Board shall promulgate regulations regarding these special needs
 231 patients, to include persons with AIDS, ventilator-dependent patients, and other recipients with special
 232 needs as defined by the Board.

233 Except as provided in subsection I of § 11-45, the provisions of the Virginia Public Procurement Act
 234 (§ 11-35 et seq.) shall not apply to the activities of the Director authorized by this subsection.
 235 Agreements made pursuant to this subsection shall comply with federal law and regulation.

236 § 32.1-326.2. Pilot school/community health; special education health services programs; special
 237 education health services defined; memorandum of agreement between the Department of Education and
 238 the Department of Medical Assistance Services.

239 A. The Department of Medical Assistance Services, in cooperation with the Department of Education,

shall, consistent with the biennium budget cycle, examine and ~~may~~ revise, as necessary, the regulations relating to the funding and components of the pilot school/community health centers which are approved as providers of medical assistance services to students who are eligible for Medicaid, including regular students and students identified as disabled who are eligible for special education services.

In revising the pilot school/community health centers program components, the Department shall take due consideration of the important role of school divisions in conducting outreach for its various programs.

Any revisions shall be designed (i) to maximize access to health care for poor children who are Medicaid eligible and are students in a school division operating a pilot school/community health center, including Medicaid-eligible students identified as disabled who are eligible for special education services, and (ii) to improve the funding by making use of every possible, cost-effective means, Medicaid reimbursement or other program administered by the Department of Medical Assistance Services, including, but not limited to, the State Children's Health Insurance Plan pursuant to Title XXI of the United States Social Security Act, as approved by the federal Health Care Financing Administration at the time. Any revisions shall be based on the flexibility allowed to the states and be focused on ~~prevention of~~ avoiding large costs for acute or medical care and increasing children's access to health care, and ~~may~~ shall include, but need not be limited to:

1. Funding sources and means of distribution for the state match which will clearly demonstrate that local governments are not funding the state match for ~~these~~ the pilot school/community health centers.

2. The benefits and drawbacks of allowing school divisions to provide services to Medicaid-eligible students, including disabled students, through the pilot school/community health centers as Medicaid providers.

3. The appropriate credentials of the providers of care, in compliance with federal requirements and with the approval of the Health Care Financing Administration, in the pilot school/community health centers, e.g., licensure by the Board of Education and ~~compliance with federal requirements or~~ licensure by ~~a~~ the appropriate health regulatory board within the Department of Health Professions.

4. Utilization of a form which can be incorporated into the Individualized Education Plan (IEP) of any student who is disabled and is eligible for special education services and for medical assistance services, and, when signed by a physician, be accepted as the plan of care authorizing services. The form shall be consistent with the plan of care required by the Department of nonschool providers, allow for regular written updates, and be used by all school divisions participating in Medicaid reimbursement for services to special education students. The physician shall integrate and coordinate care with the Department of Medical Assistance Services' managed care providers and the pilot school/community health centers.

5. Delivery of related services for special education students who are eligible for medical assistance services or medically necessary services; for other students who are eligible for medical assistance services.

The services shall be limited to those services which are covered under the then-current state plan for medical assistance services and may be provided by pilot school/community health centers, and in the case of students with disabilities who are eligible for special education shall include those medically necessary related services required by such students' Individualized Education Plans (IEP). Such as ~~rehabilitation~~ services shall include, but need not be limited to, outreach administrative services, speech therapy, including such services when delivered by school speech-language pathologists, physical therapy, occupational therapy, and psychiatric and psychological evaluations and therapy, including such services when delivered by school psychologists-limited licensed by the Board of Psychology; transportation; and skilled nursing services, such as case management or care coordination, health assessments, screening activities, nursing appraisals, nursing assessments, nursing procedures, medication assessment, medication monitoring, medication administration, anticipatory guidance, and immunizations.

6. Payment for Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services, with proper medical oversight, in consultation with the students' primary care physicians.

7. The role of the Medallion ~~and~~, Medallion II, Options or other managed care programs in regard to the pilot school/community health centers and flexibility for school divisions regarding any required referrals.

B. The Department of Medical Assistance Services, in cooperation with the Department of Education, shall, consistent with the biennium budget cycle, also examine and revise, as necessary, the regulations relating to the funding and components of the special education health services programs.

In revising the special education health services program components, the Department shall take due consideration of the important role of school divisions in conducting outreach for its various programs.

Any revisions shall be designed to maximize access to health care for poor children who are eligible

for medical assistance services and are disabled and have been identified as eligible for special education, and to assist school divisions in the funding of medically necessary related services by making use of every possible, cost-effective means, Medicaid reimbursement or other program administered by the Department of Medical Assistance Services, including, but not limited to, the State Children's Health Insurance Plan pursuant to Title XXI of the United States Social Security Act, as approved by the federal Health Care Financing Administration at the time. Any revisions shall be based on the flexibility allowed to the states and be focused on avoiding large costs for acute or medical care and increasing children's access to health care, and shall include, but need not be limited to:

1. Rates for services which shall clearly identify that only the federal share shall be reimbursed for the special education health services programs and shall demonstrate that local governments are funding the state match for the special education health services programs operated by school divisions.

2. The benefits and drawbacks of allowing school divisions to provide services as Medicaid providers to disabled students.

3. The appropriate credentials of the providers of care, in compliance with federal requirements and with the approval of the Health Care Financing Administration, in the special education health services programs, e.g., licensure by the Board of Education and licensure by the appropriate health regulatory board within the Department of Health Professions.

4. Utilization of a form which can be incorporated into the Individualized Education Plan for students identified as disabled who are eligible for special education and for medical assistance services, and, when signed by a physician, be accepted as the plan of care authorizing medically necessary related services. The form shall be consistent with the plan of care required by the Department of nonschool providers, allow for regular written updates, and be used by all school divisions participating in Medicaid reimbursement for services to special education students. The physician shall integrate and coordinate care with the Department of Medical Assistance Services' managed care providers and the pilot school/community health centers.

5. Delivery of medically necessary related services for special education students who are eligible for medical assistance services.

The services shall be limited to those services which are required by the student's Individualized Education Plan, covered under the then-current state plan for medical assistance services, and may be provided, consistent with federal law and as approved by the Health Care Financing Administration, by a school division participating as a special education health services provider. Such services shall include, but need not be limited to, outreach administrative services; speech therapy, including such services when delivered by school speech-language pathologists licensed by the Board of Audiology and Speech-Language Pathology; physical therapy; occupational therapy; and psychiatric and psychological evaluations and therapy, including such services when delivered by school psychologists-limited licensed by the Board of Psychology; transportation; and skilled nursing services, such as health assessments, screening activities, nursing appraisals, nursing assessments, nursing procedures, medication assessment, medication monitoring, and medication administration.

6. The role of the Medallion, Medallion II, Options or other managed care programs in regard to the special education health services programs and flexibility for school divisions regarding any required referrals.

C. Any funds necessary to support revisions to the pilot school/community health center projects or special education health services programs shall be included in the budget estimates for the departments, as appropriate.

D. The Director of the Department of Medical Assistance Services or his designee and the Superintendent of Public Instruction or his designee shall develop and execute a memorandum of agreement relating to the pilot school/community health centers and the special education health services programs. The memorandum of agreement shall clearly differentiate between the two programs and the services which may be delivered by the specific program and shall note that the pilot school/community health centers deliver services to Medicaid-eligible regular students and to Medicaid-eligible disabled students who are eligible for special education whereas the special education health services programs shall only deliver services to Medicaid-eligible disabled students who are eligible for special education. This memorandum of agreement shall be revised on a periodic basis; however, the agreement shall, at a minimum, be revised and executed within six months of the inauguration of a new governor in order to maintain policy integrity.

E. The agreement shall include, but need not be limited to, (i) requirements for regular and consistent communications and consultations between the two departments and with school division personnel and officials and school board representatives; (ii) a specific and concise description of the federal Individuals with Disabilities Education Act, a summary of school division responsibilities pursuant to the Individuals with Disabilities Education Act (IDEA), and a summary of any corresponding state law which influences the scope of these responsibilities; (iii) a specific and concise

summary of the then-current Department of Medical Assistance Services regulations regarding the pilot school/community health centers and the special education health services programs; (iv) assignment of specific responsibilities of the two departments for the operation of the pilot school/community health centers and the special education health services programs; (v) a schedule of issues to be resolved through the regular and consistent communications process, including, but not limited to, ways to integrate and coordinate care between the Department of Medical Assistance Services' managed care providers and the pilot school/community health centers and the special education health services programs; (vi) a process for the evaluation of the services which may be delivered by school divisions participating as pilot school/community health centers or special education health services providers pursuant to Medicaid which differentiates between the pilot school/community health centers and the special education health services programs; and (vii) a plan and schedule to reduce the administrative and paperwork burden of Medicaid participation on school divisions in Virginia.

F. The Board shall develop, with the cooperation of the Board of Education, mechanisms to reduce the burden on the school divisions of determining eligibility and obtaining physicians' orders and parental consent to services; such mechanisms shall include a clause which shall be inserted in the application forms for medical assistance services and any other programs administered by the Department of Medical Assistance Services providing for parental consent to release, in compliance with the federal Family Education Rights and Privacy Act (FERPA), 20 U.S.C. § 1232q, any minor's record for the purpose of delivery and billing of services to Medicaid-eligible students of services by school divisions participating as pilot school/community health centers or as special education health services providers pursuant to the Medicaid program. The Department of Medical Assistance Services shall state, in writing, the effect of such clause. School divisions shall, in the implementation of such clause, disclose to the parents, specifically and clearly, this consent mechanism. Such consent shall be maintained by either the Department of Medical Assistance Services or the Department of Education in accordance with the then-current memorandum of agreement.

G. The Board of Medical Assistance Services shall, when in compliance with federal law and regulation and approved by the Health Care Financing Administration, also (i) include, in its regulations which provide for reimbursement of school divisions participating in Medicaid as pilot school/community health centers or as special education health services providers, a provision for reimbursement of mental health services delivered by licensed school psychologists-limited and a provision for reimbursement for services rendered to Medicaid-eligible students of speech-language pathology services delivered by school speech-language pathologists; (ii) revise the limitations, established pursuant to relevant regulations and Virginia's state plan for medical assistance services, on services delivered by school divisions participating in Medicaid as pilot school/community health centers or special education health services programs, in effect on January 1, 1999, for physical therapy, occupational therapy, and speech, hearing, and language disorders when such services are rendered to children who are eligible for special education services and have Individualized Education Plans requiring such services; (iii) cooperate with the Board of Education in developing a form to be included in the Individualized Education Plan that shall be accepted by the Department of Medical Assistance as the plan of care when signed by a professional nurse, nurse practitioner or physician; (iv) cooperate with the Board of Education in collecting the data necessary to establish separate and specific rates for the IEP services delivered by school divisions to students with disabilities who are eligible for special education and for medical assistance services; (v) analyze the data necessary for such rates and establish new rates for reimbursement of IEP meetings based on such data; (vi) evaluate the policy relating to implementation of the IEP and reimbursement for the meetings to establish the IEP to ameliorate the impact of delays between spring meetings and fall school openings and, therefore, implementation of IEPs; and (vii) implement, if allowed by federal law and regulation and approved by the Health Care Financing Administration, a separate and distinct provider category for school divisions participating in Medicaid as pilot school/community health centers or special education health services programs by revising its regulations and the Virginia state plan for medical assistance services and submitting such revised plan to the Health Care Financing Administration.

H. For the purposes of this section, "special education health services" means those medically necessary related services which are provided to students with disabilities pursuant to the federal Individuals with Disabilities Education Act when such students are eligible for special education and medical assistance services and the services are required by the students' Individualized Education Plans and are reimbursable through the Virginia Medicaid program.

I. Services delivered by school divisions as participating providers in the Medicaid program or any other program operated by the Department of Medical Assistance Services shall not include any family planning, pregnancy or abortion services.

§ 54.1-2603. License required.

A. In order to practice audiology or speech pathology, it shall be necessary to hold a valid license.

423 *B. Notwithstanding the provisions of subdivision 2 of § 54.1-2601 or any Board regulation, the*
424 *Board of Audiology and Speech-Language Pathology shall license, as school speech-language*
425 *pathologists, persons licensed by the Board of Education with an endorsement in speech-language*
426 *pathology and a master's degree in speech-language pathology. The Board of Audiology and*
427 *Speech-Language Pathology shall issue licenses to such persons without examination, upon review of*
428 *credentials and payment of an application fee in accordance with regulations of the Board for school*
429 *speech-language pathologists.*

430 *Persons holding such licenses as school speech-language pathologists, without examination, shall*
431 *practice solely in public school divisions; holding a license as a school speech-language pathologist*
432 *pursuant to this section shall not authorize such persons to practice outside the school setting or in any*
433 *setting other than the public schools of the Commonwealth, unless such individuals are licensed by the*
434 *Board of Audiology and Speech Pathology to offer to the public the services defined in § 54.1-2600.*

435 *The Board shall issue persons, holding dual licenses from the Board of Education with an*
436 *endorsement in speech-language pathology and from the Board of Audiology and Speech Pathology as*
437 *school speech-language pathologists, a license which notes the limitations on practice set forth in this*
438 *subsection.*

439 *Persons who hold licenses issued by the Board of Audiology and Speech Pathology without these*
440 *limitations shall be exempt from the requirements of this subsection.*

441 *§ 54.1-3606. License required.*

442 *In order to engage in the practice of applied psychology, school psychology, or clinical psychology,*
443 *it shall be necessary to hold a license.*

444 *Notwithstanding the provisions of subdivision 4 of § 54.1-3601 or any Board regulation, the Board of*
445 *Psychology shall license, as school psychologists-limited, persons licensed by the Board of Education*
446 *with an endorsement in psychology and a master's degree in psychology. The Board of Psychology shall*
447 *issue licenses to such persons without examination, upon review of credentials and payment of an*
448 *application fee in accordance with regulations of the Board for school psychologists-limited.*

449 *Persons holding such licenses as school psychologists-limited shall practice solely in public school*
450 *divisions; holding a license as a school psychologist-limited pursuant to this subsection shall not*
451 *authorize such persons to practice outside the school setting or in any setting other than the public*
452 *schools of the Commonwealth, unless such individuals are licensed by the Board of Psychology to offer*
453 *to the public the services defined in § 54.1-3600.*

454 *The Board shall issue persons, holding licenses from the Board of Education with an endorsement in*
455 *psychology and a license as a school psychologist-limited from the Board of Psychology, a license*
456 *which notes the limitations on practice set forth in this section.*

457 *Persons who hold licenses as psychologists issued by the Board of Psychology without the any*
458 *limitations shall be exempt from the requirements of this subsection.*

459 **2. That the Boards of Education and Medical Assistance Services shall promulgate all necessary**
460 **regulations to implement the provisions of this act within 280 days of its enactment.**

461 **3. That the Departments of Education and Medical Assistance Services shall report on or before**
462 **December 1 of each year to the Chairmen of the Senate Committees on Education and Health and**
463 **Finance, and the House Committees on Education, Health, Welfare and Institutions, Finance, and**
464 **Appropriations on the status of the special education health services and pilot school/community**
465 **health centers and any issues which may arise. Such report may be delivered in writing or orally,**
466 **upon the agreement of the relevant Chairmen.**