

# 1999 RECONVENED SESSION

## SENATE SUBSTITUTE

990919811

### SENATE BILL NO. 1199

#### AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Governor  
on April 7, 1999)

(Patron Prior to Substitute—Senator Houck)

A BILL to amend and reenact §§ 32.1-325, 54.1-2603, and 54.1-3606 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 22.1-274.02 and 32.1-326.3, relating to school division participation in medical assistance services.

Be it enacted by the General Assembly of Virginia:

1. That §§ 32.1-325, 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 sections numbered 22.1-274.02 and 32.1-326.3 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 special education health services. 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 (IDEA), 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 special education health services; (iv) assignment of the specific responsibilities of the two state departments for the operation of special education health services; (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 special education health services providers; (vi) a process for the evaluation of the services which may be delivered by school divisions participating as special education health services providers pursuant to Medicaid; (vii) a plan and schedule to reduce the administrative and paperwork burden of Medicaid participation on school divisions in Virginia; and (viii) a mechanism for informing primary care providers and other case management providers of those school divisions that are participating as Medicaid providers and for identifying such school divisions as Medicaid providers that are available to receive referrals to provide special education health services.

C. The Board of Education shall cooperate with the Board of Medical Assistance Services in developing a form to be included with 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 POC form shall (i) be consistent with the plan of care required by the Department of Medical Assistance Services of other Medicaid providers, (ii) allow for written updates, (iii) be used by all school divisions participating as Medicaid providers of special education health services, (iv) document the student's progress, and (v) be integrated and coordinated with the Department of Medical Assistance Services' managed care providers.

D. The Department of Education shall prepare, upon consultation with the Department of Medical Assistance Services, a consent form which (i) is separate from the IEP, (ii) includes a statement noting that such form is not part of the student's IEP, (iii) includes a release to authorize billing of school-based health services delivered to the relevant student by the school division, and (iv) shall be used by all school divisions participating in Medicaid reimbursement. This consent form shall be made available to the parents upon conclusion of the IEP meeting. The release shall allow for billing of school-based health services by Virginia school divisions to the Virginia Medicaid program and other programs operated by the Department of Medical Assistance Services.

E. The Department of Education and the Department of Medical Assistance Services shall also develop a cost-effective, efficient, and appropriate process to allow school divisions access to eligibility data for students for whom consent has been obtained.

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

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

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

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

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

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

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

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

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

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

108 9. A provision for breast reconstructive surgery following the medically necessary removal of a  
109 breast for any medical reason. Breast reductions shall be covered, if prior authorization has been  
110 obtained, for all medically necessary indications. Such procedures shall be considered noncosmetic;

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

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

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

120 13. A requirement that certificates of medical necessity for durable medical equipment and any  
121 supporting verifiable documentation shall be signed, dated, and returned by the physician and in the

122 durable medical equipment provider's possession within sixty days from the time the ordered durable  
123 medical equipment and supplies are first furnished by the durable medical equipment provider;

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

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

138 16. A provision, when in compliance with federal law and regulation and approved by the Health  
139 Care Financing Administration, for payment of medical assistance services delivered to  
140 Medicaid-eligible students when such services qualify for reimbursement by the Virginia Medicaid  
141 program and may be provided by school divisions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

217 Except as provided in subsection I of § 11-45, the provisions of the Virginia Public Procurement Act  
218 (§ 11-35 et seq.) shall not apply to the activities of the Director authorized by this subsection.  
219 Agreements made pursuant to this subsection shall comply with federal law and regulation.

220 § 32.1-326.3. *Special education health services; memorandum of agreement between the Department*  
221 *of Education and the Department of Medical Assistance Services.*

222 A. *The Department of Medical Assistance Services, in cooperation with the Department of Education,*  
223 *shall, consistent with the biennium budget cycle, examine and revise, as necessary, the regulations*  
224 *relating to the funding and components of special education services.*

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

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

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

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

243 4. *Delivery of medically necessary related services for special education students who are eligible for*  
244 *medical assistance services.*

The services shall be limited to those services which are required by the student's Individualized Education Plan (IEP), shall be 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, speech therapy, including such services when delivered by school speech-language pathologists licensed by the Board of Audiology and Speech-Language Pathology or those individuals who are directly supervised, at least twenty-five percent of the time, by such licensed speech-language pathologists; physical therapy; occupational therapy; 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.

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

B. Any funds necessary to support revisions to the special education health services shall be included in the budget estimates for the departments, as appropriate.

C. 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 special education health services. 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.

D. 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 (IDEA), 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 special education health services; (iv) assignment of the specific responsibilities of the two state departments for the operation of special education health services; (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 special education health services providers; (vi) a process for the evaluation of the services which may be delivered by school divisions participating as special education health services providers pursuant to Medicaid; (vii) a plan and schedule to reduce the administrative and paperwork burden of Medicaid participation on school divisions in Virginia; and (viii) a mechanism for informing primary care providers and other case management providers of those school divisions that are participating as Medicaid providers and for identifying such school divisions as Medicaid providers that are available to receive referrals to provide special education health services.

E. The Board of Medical Assistance Services shall cooperate with the Board of Education in developing a form to be included with 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 POC form shall (i) be consistent with the plan of care required by the Department of Medical Assistance Services of other Medicaid providers, (ii) allow for written updates, (iii) be used by all school divisions participating as Medicaid providers of special education health services, (iv) document the student's progress, and (v) be integrated and coordinated with the Department of Medical Assistance Services' managed care providers.

F. The Department of Medical Assistance Services shall consult with the Department of Education in preparing a consent form which (i) is separate from the IEP, (ii) includes a statement noting that such form is not part of the student's IEP, (iii) includes a release to authorize billing of school-based health services delivered to the relevant student by the school division, and (iv) shall be used by all school divisions participating in Medicaid reimbursement. This consent form shall be made available to the parents upon conclusion of the IEP meeting. The release shall allow for billing of school-based health services by Virginia school divisions to the Virginia Medicaid program and other programs operated by the Department of Medical Assistance Services.

G. The Department of Medical Assistance Services and the Department of Education shall also develop a cost-effective, efficient, and appropriate process to allow school divisions access to eligibility data for students for whom consent has been obtained.

H. 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 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 or those individuals who are directly supervised, at least twenty-five percent of the time, by such licensed 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 special education health services providers, 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 IEPs requiring such services; (iii) cooperate with the Board of Education in developing a form to be included with the IEP that shall be accepted by the Department of Medical Assistance Services as the plan of care when signed by a physician or, when under such physician's supervision, his designee; (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; and (v) analyze the data necessary for such rates and establish new rates for reimbursement of IEP meetings based on such data.

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.

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

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

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

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

§ 54.1-3606. License required.

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

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

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

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

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

368 2. That the Boards of Education and Medical Assistance Services shall promulgate all necessary  
369 regulations to implement the provisions of this act within 280 days of its enactment.  
370 3. That the Departments of Education and Medical Assistance Services shall report on or before  
371 December 1 of each year to the chairmen of the Senate Committees on Education and Health and  
372 Finance, and the House Committees on Education, Health, Welfare and Institutions, Finance, and  
373 Appropriations on the status of the special education health services and pilot school/community  
374 health centers and any issues which may arise. Such report may be delivered in writing or orally,  
375 upon the agreement of the relevant chairmen.