



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

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PUBLIC INSTRUCTION

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TO: LEA-PSA-ISD Superintendents
LEA-PSA-ISD Special Education Directors
LEA-PSA-ISD McKinney-Vento Homeless Liaisons
McKinney-Vento Grant Coordinators

FROM: Michael Radke, Ph.D., Director, Office of Field Services *Mike Radke*
Eleanor E. White, Ph.D., Director, Office of Special Education and Early
Intervention Services *E.E. White*

SUBJECT: Use of Special Education Buses to Transport Homeless Students

The Michigan Department of Education's Office of Field Services, Special Populations Unit, Homeless Education Program and Office of Special Education and Early Intervention Services have collaborated to issue this joint guidance to all public schools.

We are providing this guidance to make you aware of what is allowable and that you may inadvertently jeopardize Medicaid funding of transportation or state school aid funding for specialized transportation services.

Below are key provisions for using special education buses to transport homeless students across district boundaries:

1. Transportation for students with disabilities is a billable service under Medicaid as long as Michigan Medicaid requirements are met.
2. Medicaid does not and cannot mandate which students ride these buses, but Medicaid does have the authority to determine reimbursement criteria.
3. Using an exclusive special education bus to transport homeless students will result in the loss of state aid reimbursement for the insurance and amortization for that vehicle. (Alternatives to the use of exclusive special education vehicles are discussed in number 6.)
4. Vehicles newly purchased with Special Education ARRA funds cannot be used for this purpose.

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5. DISTRICTS MUST BE SURE THAT THEY:

- DO NOT include non-special education students in transportation charges for specialized buses when billing Medicaid.
- DO NOT include non-special education students for specialized transportation attendance.
- DO NOT include non-special education students in the Medicaid formula denominator (calculation to determine amount to be billed).
- ARE AWARE that transporting a homeless child on a special education vehicle may jeopardize full Medicaid and state aid funding for the specialized vehicle used.

6. In making a decision about transportation for homeless students, districts should calculate and compare the costs for alternative transportation for these students (regular school buses, cabs, prepaid gas cards, etc.) with the possible cost (amount to be lost) in using special education vehicles in order to transport them.

Our offices believe that using special education buses to transport homeless students across district boundaries can be an appropriate and effective strategy for a district to use. It can remove barriers to the enrollment, participation and success of students without fixed, regular and adequate housing. We also recognize the rising costs of transporting homeless students to and from schools of origin. It is important to recognize that Individuals with Disabilities Education Act (IDEA) special education funds do not cover all special education transportation costs. There are explicit requirements in Michigan for special education and general education transportation reimbursement, and Michigan's Medicaid reimbursement of specialized transportation is a sub-set of that. Also, the only state aid reimbursement for transportation is for specialized transportation services for pupils whose Individual Educational Plan (IEP) requires such services.

Please direct further questions about transportation-related issues to Pam Kies-Lowe, Homeless Education Consultant, MDE, at 517-241-1162 or to Dianne Easterling, Consultant, Office of Special Education and Early Intervention Services, at 517-373-0048.