

Overview

The SBMP Special Transportation program pays for a portion of special transportation services provided to students who have IEPs requiring those services. It is a unique program in SBMP and differs from the others in the following ways:

- This is the only program in the SBMP that **requires an IEP** as the only allowable plan of care.
- Unlike the other programs, Special Transportation does not utilize any interim billing. Rather, the entire reimbursement is based solely on the cost report.
- The Cost Report does not take into account your LEAs Medicaid percentage. Rather, Medicaid status is accounted for in the trip ratio calculation.

The level of documentation and coordination required for this program is high. Smaller LEAs should carefully consider if the program is worth their investment. However, for large districts with high special transportation costs, this program can provide substantial reimbursement.

Allowable Costs

All costs claimed for Special Transportation must be included in your Annual Financial Report (AFR) as Special Transportation costs and must be provided on vehicles listed in the AFR as Special Transportation. The following are allowable costs in the Special Transportation program:

- Salaries and benefits for all special transportation bus drivers, aides, mechanics and substitutes (this includes both employees and contractors)
- Fuel for all special transportation vehicles
- Repairs and maintenance for all special transportation vehicles
- Rental of special transportation vehicles
- Purchase of additional special transportation vehicles
- Contract vehicle use cost for special transportation

**As with all other areas of SBMP – these costs must be paid for with general fund dollars and not IDEA dollars in order for them to be Medicaid reimbursable.*

Reimbursement Methodology

For the reimbursement methodology, several factors are considered:

- The total amount the LEA spent on special transportation
- The FMAP
- The Indirect cost percentage
- The Trip Ratio.

Note that a schools Medicaid Discount Factor is not considered in this methodology. That is because the trip ratio includes Medicaid eligibility within it. The most complicated aspect of this is the trip ratio.

The Trip Ratio is the ratio of Medicaid reimbursable trips to the total number of trips made on the special transportation vehicles. A trip is considered to be: for one student, a one-way drive – so most students take two trips a day – one to school and one home from school.

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The Trip Ratio is:

$$\frac{\text{Total Annual Medicaid Reimbursable Trips (meets the above criteria)}}{\text{Total Annual Trips on Special Transportation Vehicles}}$$

Requirements for a Medicaid Reimbursable Trip

The following things are required for a special transportation trip to be reimbursable:

- the student is active with Medicaid
- the student has an IEP
- the IEP has the “special transportation” box checked
- the student rode on a special transportation vehicle for that trip
- the student received a service listed on the IEP the day of the trip

Note – the service has to be on the IEP. It **does not have to be a service that was billed to Medicaid.*

Documentation

You are required to keep the following documentation for this program:

- The IEP with “special transportation” checked
- The service documentation of the student receiving a service that day
- A bus log that demonstrates the student was on the bus for that trip
- The [Bus Log Spreadsheet](#)
- Attendance records
- Proof of a student’s Medicaid status

Required information on the [Bus Log Spreadsheet](#):

- Date of the trip
- Student Number
- Student Name
- Bus Number
- Medicaid Eligibility
- Trip to School
- Trip from School
- IEP Service
- Special Transportation on IEP

When audited, for the trips selected for monitoring, you must be able to provide:

- The IEP the has the “special transportation” box checked
 - Make sure no trips were claimed from before the date the IEP was signed
- The service documentation that proves that student received a service that day. For a refresher on what needs to be included in service documentation, you can review the [Quick Checklist](#).
- The bus log that proves the student was on the bus for the trip selected

- Your financial reports that back up the expenditures listed and shows them listed on your AFR under “Special Transportation”
- Student Medicaid status verification (like a Medicaid report)
- Attendance records that show the student was at school that day

Be sure to put policies and procedures in place before starting a special transportation program that will allow you to easily find these pieces of information for the audit. Because the reimbursements in this program are so dependent on documentation, we suggested doing 2-4 internal audits throughout the course of the year to ensure you are keeping good records. If you choose to do this, you can use the [Special Transportation Internal Audit Form](#).

Audit Penalties

The financial penalties for audit issues in the Special Transportation program are different than those for other programs. When the audit is being completed, you will be sent a list of trips and be asked to provide the back-up documentation for those trips. If you are lacking any of the required documentation, the penalties are as follows:

- If a trip selected was not supported by an IEP that required special transportation, the auditors will take out every trip that student took from being Medicaid eligible, recalculate the trip ratio and then recalculate the cost report. You will only be funded at the new cost report level.
- If the trip selected for audit was deficient in any other way (lacking documentation of trips, the student not being Medicaid eligible ect), the trip ratio is reduced by the percent of the sampled moments that were found deficient and the cost report recalculated.

Considerations

Before beginning (or as a part of a review of an existing Special Transportation program), take the following steps to determine if utilizing the special transportation program makes sense for your LEA:

1. Pull a list of all students riding on special transportation vehicles
2. Review that list of students and determine
 - How many are on active Medicaid
 - How many have IEPs
 - How many of the IEPs have the special transportation box checked
3. Determine if any students with IEPs should have the “special transportation” box checked – but for whatever reason – don’t. If you find any, take steps to update those IEPs
4. If the majority of your special transportation students do not meet the above criteria – special transportation reimbursement may not be worth the effort for you.
5. Additionally, you can review the IEPs of these students and see if they are receiving services on a daily basis or a weekly basis. If the majority of your students are only getting services on a weekly basis – even if all those students meet the other requirements – special transportation may not be worth the effort for you because only a limited number of these trips would be eligible.
 - If a student takes a daily medication, be sure this is accurately included in the IEP. Being in an IHP is **not sufficient** – it must be included on the IEP. Once it is, that daily

medication administration satisfies the requirement of a service being provided that day.

- Once you have ensured all existing IEPs are correct for special transportation, take steps to ensure your pupil appraisal and IEP writing teams understand these requirements so that all IEPs moving forward are correctly set-up for special transportation when necessary.
- Documentation is key for special transportation. Critically consider your documentation options. You need to consider:
 1. How will your service documentation (that backs-up that the student received a service that day) merge with your bus logs? This will be especially time consuming if you keep both sets of documentation on paper.
 2. Do you have confidence in your special transportation staff to keep accurate documentation? If not, you may want to consider a digital bus log offered by companies like [Zonar](#).
 3. Where will you store and who will organize and manage your documentation?
 4. Who will review your documentation to ensure its in order and how often will they do so?