



FREQUENTLY ASKED QUESTIONS CONCERNING SPECIAL EDUCATION CATASTROPHIC OCCURRENCES FY 2005-06

1. My district has identified several special education students that I think could be claimed as Catastrophic Occurrences. What do I do now?

Each student identified as likely to be claimed must be registered on the Special Education website by February 13, 2006 in order to be eligible for reimbursement consideration after May 1, 2006. Refer to Commissioner's Memo LS-06-051 for more information on the website registration process.

2. Why do I have to register my Catastrophic Occurrences students by February 13, 2006 if claims are not due until May 1, 2006?

The Arkansas Department of Education (ADE) has a fiduciary responsibility to see that all Catastrophic Occurrences reimbursements comply with free, appropriate public education in the least restrictive environment requirements as defined in state special education law. Registration of each potential claim by February 13, 2006 will provide the ADE with sufficient time to review each potential claim prior to payment in June 2006.

3. My district has submitted claims for Catastrophic Occurrences in the past, but we never got back the full amount we spent. Will it be different this year? In other words, why should I bother?

The Catastrophic Occurrences program is substantially different than it was in the past. Here are the major changes:

- *Catastrophic Occurrences were addressed as part of Act 59 as a way to address funding adequacy for high cost students in a district's special education population.*
- *Maximum reimbursement of \$100,000 is now available per OCCURRENCE, not per district.*
- *State funds available to address Catastrophic Occurrences claims were increased from \$1 million to \$8.8 million.*
- *The new Catastrophic Occurrences program takes into account total state and local spending on a student as well as the use of non-state payment sources such as Medicaid and Title VI-B.*
- *The new program should allow for FULL reimbursement of state and local spending for up to 400 Catastrophic Occurrences statewide.*

Although rules adopted by the State Board of Education allow for reimbursement proration if demand exceeds the appropriation, we anticipate providing FULL reimbursement for every Occurrence that is properly registered by February 13, 2006 and which complies with state special education law.



4. Are Catastrophic Occurrences reimbursements available for students in my district receiving accommodations under a Section 504 Plan?

No. As defined at A.C.A. 6-20-2303(20), the Catastrophic Occurrences program is to address only those individual cases where special education and related services required by the individualized education program (IEP) of a particular student with disabilities are unduly expensive, extraordinary, or beyond the routine and normal costs associated with special education and related services provided by a school district.

5. Are co-ops and state operated programs permitted to request Catastrophic Occurrences funds for preschool students?

No. Special Education rules allow only school districts to request funds. However, costs incurred through co-op programs are eligible for reimbursement when requested by the preschool student's home district.

6. What happens if my district incurs costs (such as hiring specialized personnel) for a Catastrophic student who moves in the middle of the year? Can I get reimbursed for a full year of these costs even if the student is no longer in my district?

As part of our reviews after February 13, 2006, the ADE will verify that each Catastrophic Occurrences student is enrolled in the requesting district as a special education student. If current membership cannot be verified, we will seek documentation from the district that the required threshold of Catastrophic Occurrences spending was achieved prior to the student's withdrawal.

7. How will the spending offset for Title VI-B work?

Districts are NOT required to exhaust all Title VI-B funds before making a claim.

For each Catastrophic Occurrences claim, the district may indicate only the Title VI-B average amount per student in its special education program. The average is derived by dividing the December 1, 2005 school age child count into the 2005-06 Title VI-B budget. This average amount can be found under "Financial Information" in each district's 2005-06 demographic profile located on the Special Education website.

8. I understand that Medicaid reimbursements must be included as an offset for my Catastrophic Occurrences claim. How does the Medicaid offset work?

The Medicaid offset, much like the Title VI-B offset, will have the effect of reducing the amount of reimbursement you will need for a particular student. If you are incurring costs that you anticipate receiving Medicaid for, you should still show these costs as part of the student worksheet on the Registry site.



The Medicaid offset line should show the FULL amount you anticipate receiving through the end of the 2005-06 fiscal year. Your Medicaid estimate should include reimbursements expected only through June 30, 2006.

9. Can my District be reimbursed for the Medicaid match paid for a Catastrophic Occurrences student?

Yes. Itemize this amount on the Related Services Costs tab as an “Other Related Services” cost. Including the match as a cost assumes that the FULL amount of Medicaid reimbursement is included as an offset.

10. What if I have no Medicaid reimbursement as a Catastrophic Occurrences spending offset?

If no Medicaid offset is shown on the Catastrophic Occurrences Registry, we will make the assumption that the student is not Medicaid-eligible and that the district has verified this ineligibility. If we have any questions on your claim pertaining to Medicaid, you will be contacted by the ADE Consultant for Medicaid in the Schools.

11. Catastrophic Occurrences claims are due on May 1, 2006, but my district will continue to incur costs for most students through at least the end of the school year. How do I get reimbursed for district costs after May 1?

The ADE will leave the Registry website active until May 31, 2006 to allow for updates to individual student cost data through the end of the school year. Estimates for any costs expected to be incurred through June 30, 2006 will be allowed as well.