

POLICY GUIDE

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Special Education Medicaid Initiative
(SEMI) Program

6111 SPECIAL EDUCATION MEDICAID INITIATIVE (SEMI) PROGRAM

Every New Jersey school district, with the exception of any district that obtains a waiver of the requirements of N.J.A.C. 6A:23A-5.3(b) shall take appropriate steps to maximize its revenue from the Special Education Medicaid Initiative (SEMI) program by following the policies and procedures to maximize participation in the program as set forth in N.J.A.C. 6A:23A-5.3(d) and to comply with all program requirements as set forth in N.J.A.C. 6A:23A-5.3(e).

The school district may seek, in the pre-budget year, a waiver of the requirements of N.J.A.C. 6A:23A-5.3 in accordance with the procedures as outlined in N.J.A.C. 6A:23A-5.3(b). As part of the annual budget information, the New Jersey Department of Education shall provide each district with a projection of available SEMI reimbursement for the budget year, as determined by the New Jersey Department of the Treasury's third-party administrator for SEMI. The district shall recognize as revenue in its annual district budget no less than ninety percent of the projection. The district may seek approval from the Executive County Superintendent to use its own projection of SEMI reimbursement upon demonstration the numbers it used in calculating the projection are more accurate than the projection provided.

The district shall strive to achieve maximum participation in the SEMI program. "Maximum participation" means obtaining a ninety percent return rate of parental consent forms for all SEMI-eligible students. Districts shall enter all students following their evaluations into the third-party system as determined by the New Jersey Department of the Treasury to identify the district's universe of eligible students. This may be done without parental consent.

If the district participates in the SEMI reimbursement program, the district shall comply with program requirements as outlined in N.J.A.C. 6A:23A-5.3(e).

If the district has less than ninety percent participation of SEMI-eligible students in the prebudget year or that has failed to comply with all program requirements at N.J.A.C. 6A:23A-5.3(e), the district shall submit a SEMI action plan to the Executive County Superintendent for review and approval as part of the district's proposed budget submission. The district's SEMI action plan shall include the components as outlined in N.J.A.C. 6A:23A-5.3(g).



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If the district does not achieve ninety percent participation, or does not achieve their approved benchmarks in the SEMI program for a given budget year and cannot demonstrate that they fully implemented their New Jersey Department of Education-approved SEMI action plan required at N.J.A.C. 6A:23A-5.3(f) and (g), the district shall be subject to review for the withholding of State aid by the Commissioner of Education, pursuant to N.J.S.A. 18A:55-3, in an amount equal to the SEMI revenue projection based on their approved benchmark for the budget year, if applicable, less actual SEMI reimbursements for the budget year. The State aid deduction shall be made in the second subsequent year after the budget year.

If the district does not meet the requirement of the cost-settlement components of SEMI, the district may be required to refund all or part of their SEMI reimbursements.

N.J.A.C. 6A:23A-5.3

Adopted: 09/17/2025

