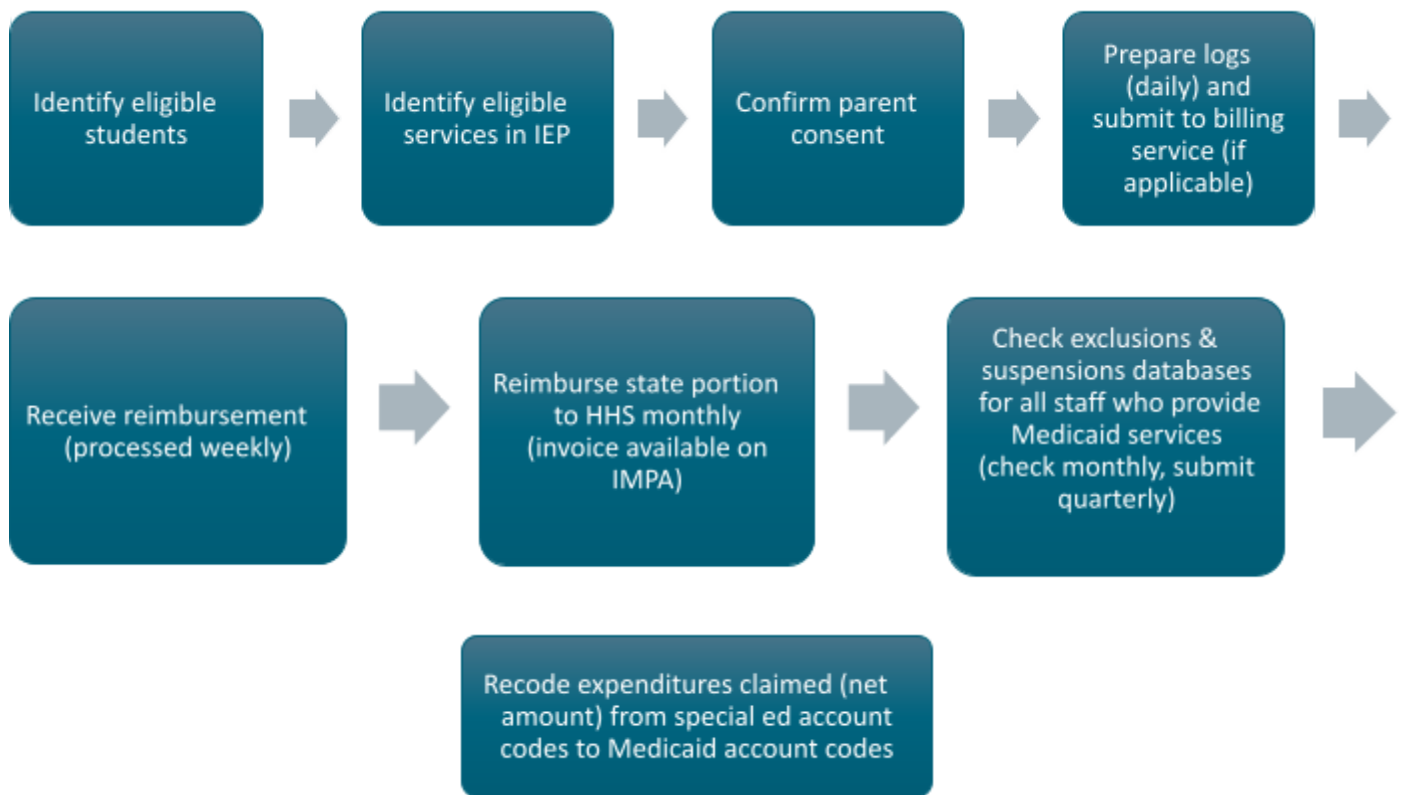


Accounting for School-Based Medicaid

(updated 8/25/2026)

Medicaid is a federal/state cost sharing benefit program for health and medically necessary services for low-income individuals ([CFDA 93.778](#)). This document is intended to provide guidance to school districts and AEAs for School-Based Medicaid claiming, billing, and coding. The first section shows a high-level lifecycle of School-Based Medicaid claims. The 'Recording School-Based Medicaid Journal Entries' section provides examples of the entries to make when School-Based Medicaid reimbursements are received and how to reclassify related expenditures. The final section, 'Accessing School-Based Medicaid Invoices', illustrates how districts access invoices in the Iowa Medicaid Portal Application (IMPA).

Lifecycle of School-Based Medicaid Claims



IEP = Individualized Education Plan

HHS = Iowa Department of Health and Human Services

Notes:

- Payments to HHS are not expenditures and are recorded to the balance sheet instead.
- Reimbursement is based on the services provided, not the direct cost.
- School-Based Medicaid state share rate changes annually on October 1st.

Recording School-Based Medicaid Journal Entries

Additional information is available on the Department's [Uniform Financial Accounting](#) web page.

Example: Recording Medicaid Reimbursement

Scenario: Claims submitted and district receives \$10,000 (assume 65% is federal & 35% is state)

- \$6,500 (\$10,000 x 65%) credit to revenue (federal)
- \$3,500 (\$10,000 x 35%) credit to payable (state)

District pays \$3,500 to HHS (account payable)

Journal entries to record reimbursement

Option 1: Record amounts received with the portion due to HHS in the payable account separately when the revenue is received.

<u>Description</u>	<u>Debit Amt</u>	<u>Credit Amt</u>
Cash (10-XXXX-XXX-XXXX-101)	\$10,000.00	
Intergovernmental Payables (10-XXXX-XXXX-2XX-3321-410)		\$3,500.00
Medical Assistance Program (Medicaid) (10-XXXX-XXXX-2XX-4634-4634)		\$6,500.00
Record the amount repaid to HHS		
Intergovernmental Payables (10-XXXX-XXXX-2XX-3321-410)	\$3,500.00	
Cash (10-XXXX-XXX-XXXX-101)		\$3,500.00

Option 2: Record amounts received including the portion due to HHS together with Medicaid revenue. Then reclassify to the payable account when paid to HHS.

<u>Description</u>	<u>Debit Amt</u>	<u>Credit Amt</u>
Cash (10-XXXX-XXX-XXXX101)	\$10,000.00	
Medical Assistance Program (Medicaid) (10-XXXX-XXXX-2XX-4634-4634)		\$10,000.00
<i>Reclassify amounts due to HHS in payable account (when HHS invoice is available at the end of the month)</i>		
Medical Assistance Program (Medicaid) (10-XXXX-XXXX-2XX-4634-4634)	\$3,500.00	
Intergovernmental Payables (10-XXXX-XXXX-2XX-3321-410)		\$3,500.00
<i>Record the amount repaid to HHS</i>		
Intergovernmental Payables (10-XXXX-XXXX-2XX-3321-410)	\$3,500.00	
Cash (10-XXXX-XXX-XXXX-101)		\$3,500.00

Example: Reclassifying Special Education Expenditures to Medicaid

Scenario: The district has 3 students for whom they bill Medicaid for reimbursement.

- Student A: level 2, receiving transportation and behavior (para) services, \$3,000 (FS: \$1,950)
 - o Federal share (FS): $\$3,000 \times 65\% = \$1,950$
- Student B: level 2, receiving nursing and transportation services, \$2,000 (FS: \$1,300)
 - o FS: $\$2,000 \times 65\% = \$1,300$
- Student C: level 2, receiving nursing and transportation services, \$5,000 (FS: \$3,250)
 - o FS: $\$5,000 \times 65\% = \$3,250$

Percentage claimed:

- Student A – 30% transportation, 70% behavior (para) services:
 - Reclassify \$585 (FS: $\$1,950 \times 0.3$) Level 2 special ed transportation expenditures.
 - Reclassify \$1,365 (FS: $\$1,950 \times 0.7$) of level 2 special ed para expenditures.
- Student B – 75% nursing services, 25% transportation:
 - Reclassify \$975 (FS: $\$1,300 \times 0.75$) of level 2 special ed nursing expenditures.
 - Reclassify \$325 (FS: $\$1,300 \times 0.25$) of level 2 transportation expenditures.
- Student C – 80% nursing services, 20% transportation:
 - Reclassify \$2,600 (FS: $\$3,250 \times 0.8$) of level 2 special ed nursing expenditures.
 - Reclassify \$650 (FS: $\$3,250 \times 0.2$) of level 2 transportation expenditures.

Notes:

- Remember to allocate FICA and IPERS to salaries.
- Expenditures are required to be allocated by special education level.

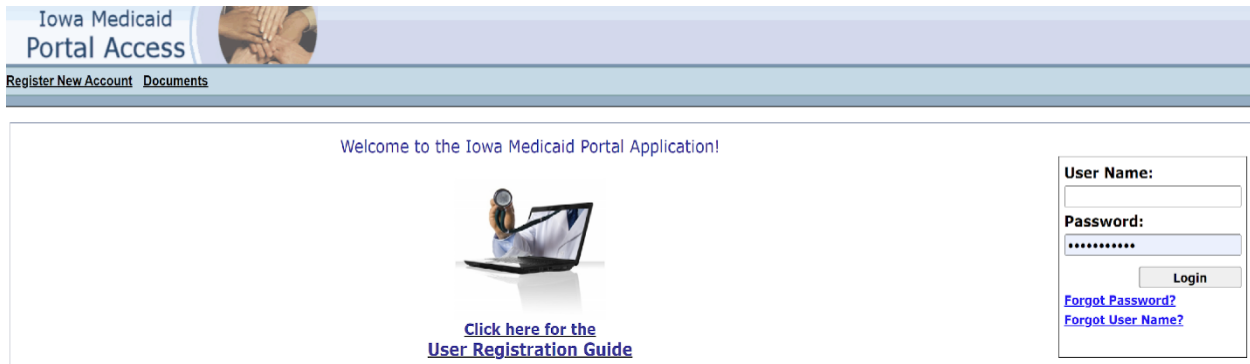
Journal entries to reclassify special education expenditures

Description	Debit Amount	Credit Amount
<i>Reclassifying the expenditures originally charged to special education projects:</i>		
Classroom 1:1 Para (10-XXXX-1000-2XX-4634-10X)	\$ 1,165.77	
Classroom 1:1 Para FICA (10-XXXX-1000-2XX-4634-22X)	\$ 89.18	
Classroom 1:1 Para IPERS (10-XXXX-1000-2XX-4634-23X)	\$ 110.05	
Nursing Services (10-XXXX-2134-2XX-4634-13X)	\$ 3,053.21	
Nursing Services FICA (10-XXXX-2134-2XX-4634-22X)	\$ 233.57	
Nursing Services IPERS (10-XXXX-2134-2XX-4634-23X)	\$ 288.22	
Medical Supplies (10-XXXX-2134-2XX-4634-61X)	\$ -	
Other Medicaid expenditure (10-XXXX-XXXX-2XX-4634-XXX)	\$ -	
Classroom 1:1 Para (10-XXXX-1000-2XX-330X-10X)		\$ 1,165.77
Classroom 1:1 Para FICA (10-XXXX-1000-2XX-330X-22X)		\$ 89.18
Classroom 1:1 Para IPERS (10-XXXX-1000-2XX-330X-23X)		\$ 110.05
Nursing Services (10-XXXX-2134-2XX-330X-13X)		\$ 3,053.21
Nursing Services FICA (10-XXXX-2134-2XX-330X-22X)		\$ 233.57
Nursing Services IPERS (10-XXXX-2134-2XX-330X-23X)		\$ 288.22
Medical Supplies (10-XXXX-2134-2XX-330X-61X)		\$ -
Other expenditure (10-XXXX-XXXX-2XX-330X-XXX)		\$ -
<i>Record Medicaid transportation expenditures:</i>		
Private transportation contractor (10-XXXX-27XX-2XX-4634-515)	\$ -	
District transportation using mileage rate (10-XXXX-27XX-2XX-4634-955)	\$ 1,560.00	
Private transportation contractor (10-XXXX-27XX-330X-515)		\$ -
District transportation using mileage rate (10-XXXX-27XX-2XX-4634-955)		\$ 1,560.00

Accessing School-Based Medicaid Invoices

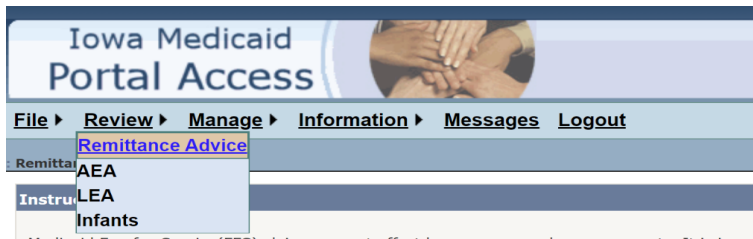
School-Based Medicaid invoices are located in [IMPA](#). Steps to retrieve the invoices are provided below.

Step 1: Log in by entering the user name and password.



The screenshot shows the Iowa Medicaid Portal Access login page. At the top, there is a header with the text "Iowa Medicaid Portal Access" and a small image of hands. Below the header, there are links for "Register New Account" and "Documents". The main content area features a welcome message: "Welcome to the Iowa Medicaid Portal Application!". In the center, there is an illustration of a person sitting at a desk with a laptop. Below the illustration, there is a link: "Click here for the User Registration Guide". On the right side, there is a login form with fields for "User Name:" and "Password:". Below the password field, there is a "Login" button and two links: "Forgot Password?" and "Forgot User Name?".

Step 2: Once logged in, navigate to Remittance Advice found in the Review menu.



The screenshot shows the Iowa Medicaid Portal Access menu. The header is the same as in the previous screenshot. Below the header, there is a navigation bar with the following items: "File", "Review", "Manage", "Information", "Messages", and "Logout". The "Review" item is highlighted, and a dropdown menu is visible below it. The dropdown menu contains the following items: "Remittance Advice", "AEA", "LEA", and "Infants". The "Remittance Advice" item is highlighted in blue.

Step 3: Enter a date range in the search criteria to find the appropriate invoice.



The screenshot shows the Search Criteria form. It has a title "Search Criteria" and a subtitle "Choose a Date Range - From:". Below the subtitle, there are two date input fields. The first field is labeled "From:" and contains the date "07/24/2026". The second field is labeled "To:" and contains the date "08/24/2026". Below the date fields, there is a note: "(All invoices will only be available up to 18 months in the past)". Below the note, there is a "Tax IDs:" label and a dropdown menu with the text "--- Select Entity ---". To the right of the dropdown menu, there is a red "Required!" label. At the bottom of the form, there is a "Search" button.

Note: Billing services, if used, should be able to provide a report of claims for each student. Use the report to reallocate expenditures by program level and other account code dimensions. Reclassification entries can be done monthly or annually.

Questions

For more information, please contact Jon Neas at jon.neas@iowa.gov or 515-326-1032 or email the special education finance team at specialeducationfinance@iowa.gov.