

# Healthy Students, Promising Futures

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## Interagency Agreement: A Key Partnership Tool for State Medicaid & Education Agencies

### Introduction

An interagency agreement (sometimes referred to as a memorandum of understanding or MOU) is an important tool that state Medicaid and education agencies can use to strengthen their school Medicaid partnership.

[Federal law](#) requires that these agencies develop an interagency agreement or other mechanism for the coordination and payment of health services provided under student Individualized Education Programs (IEPs). It is beneficial for states to add to that agreement or create a new one to facilitate collaboration on health services outside the IEP.

Establishing an agreement allows the two agencies to clarify expectations; define roles, responsibilities and deliverables related to communication, coordination, data sharing, evaluation and/or other areas; establish accountability; and create a mechanism to exchange or share financial resources. It provides a formal structure to sustain collaboration that is not dependent on the cooperation of specific individuals at each agency.

Implementing an agreement is especially helpful when the state Medicaid agency (SMA) is providing financial resources to support a school Medicaid position at the state education agency (SEA).



Interagency agreements are typically developed with the assistance of state agency staff with specialized expertise in contracts; they also may be reviewed and approved by a legal expert. Before drafting the agreement, the state Medicaid and education agencies should determine which agency's template will be used, review the required elements and agree on what to include in each section.

## Common Components

Most state agencies have an existing template that can be used to develop the agreement. Although the precise wording varies, these documents typically include the following:

**Purpose of the agreement:** Identifies the overall purpose and goals of the collaboration.

**Period of performance/timeframe:** Specifies the period of time that the agreement will be in effect, typically at least one year. Agreements can be written to automatically renew year-to-year until amended or terminated by written notice.

**Terms and conditions:** Includes references to applicable federal and state codes and outlines liability, privacy and confidentiality, records retention and other requirements.

**Scope of work/roles and responsibilities:** Details each partner's deliverables and responsibilities. Agreements may identify specific position titles or departments that are tasked with carrying out the work.

Types of activities may include:

- Communication and guidance: each agency's role in developing and disseminating program information and guidance documents to school districts
- Training: the number and type of trainings to be provided and each partner's role in developing and delivering the trainings
- Technical assistance: the type and format of individual assistance to be provided to school districts, how it will be accessed, expected response time and the agency responsible
- Coordination: responsibilities for coordinating with partners, such as establishing and supporting a school Medicaid advisory group and/or eliciting feedback from school districts
- Data sharing: type of information to be shared, such as student Medicaid enrollment, audit findings, contact lists and reimbursement information, along with when and how it will be transferred
- Evaluation and planning: each agency's responsibility for program monitoring, evaluation and planning

View the companion brief "[Partnering for Success: Collaborating to Improve and Expand School Medicaid](#)" for additional partnership-building ideas and activities for state Medicaid and education agencies.

**Resource commitments/payment:** Details the staff time, funding or other resources that each partner is providing and the conditions under which those resources will be available, such as:

- The number of school Medicaid staff positions at each agency and how they will be funded (e.g., if the SMA is supporting positions at the SEA)
- How joint activities will be paid for

**Reporting requirements:** Lists data submission, documentation and other reporting requirements and deadlines.

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## Additional Resources

### State Examples

- [Idaho Memorandum of Understanding](#)
- [New Mexico Memorandum of Understanding](#)

### Centers for Medicare and Medicaid Services Resources

- [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming](#)
- [School Medicaid Technical Assistance Center](#)

### Healthy Schools Campaign Publications

- [Getting to Know Your State's School Medicaid Program: Overview for State Education Agencies and Other Partners](#)
- [Partnering for Success: Collaborating to Improve and Expand School Medicaid](#)

View more related resources at [Healthy Students. Promising Futures.](#)

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## Healthy Schools Campaign

Healthy Schools Campaign (HSC) engages stakeholders and advocates for policy changes at local, state and national levels to ensure that all students have access to healthy school environments, including nutritious food, physical activity and essential health services, so they can learn and thrive. HSC's Healthy Students, Promising Futures initiative supports states and school districts in expanding access to Medicaid-funded school health services. To learn more, visit [healthyschoolscampaign.org](http://healthyschoolscampaign.org) and [healthystudentspromisingfutures.org](http://healthystudentspromisingfutures.org).

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