

February 16, 2021

Liz Richter  
Acting Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Acting Administrator Richter:

The fifty undersigned national health, education and child welfare organizations urge the Centers for Medicare and Medicaid Services (CMS) to work directly with states and stakeholders to update the Medicaid School Health Technical Assistance Guide<sup>1</sup> and Administrative Claiming Guide.<sup>2</sup> This will ensure schools are able to draw down critical Medicaid reimbursement for school-based physical and behavioral health services provided to Medicaid eligible students this year and in the future. Schools have always played an important role in meeting the health care needs of their students, but there has never been a more important time to ensure school districts have the knowledge and tools to access Medicaid funding. Updating the aforementioned documents is long-overdue, and is a good first step in providing the guidance school districts need to correctly bill Medicaid for services provided to children enrolled in Medicaid and enable more efficient and equitable access to Medicaid reimbursement by schools.

The COVID-19 pandemic has brought into sharp focus the important role schools have in ensuring children and adolescents are healthy enough to learn. School-based health services are a lifeline for students who cannot access critical health care and health services outside of their school. Now more than ever, students are facing unmet health care needs—and less access to care. As states and school districts work to reopen—and keep open—schools, a major investment in school health services is needed. This fact is reflected in President Biden’s goal of doubling the number of school psychologists, counselors, nurses, social workers, and other health professionals in schools.

**Medicaid plays a critical role in supporting school health services.**

Today, Medicaid is the third largest federal funding stream for school districts, providing much-needed funding to support school health services. Despite this, the CMS school-based Medicaid claiming guides have not been updated since 1997 and 2003, respectively. Updating these guidance documents will allow CMS to finally incorporate the 2014 free care policy reversal<sup>3</sup> which expands eligibility for school-based Medicaid programs, build on the demonstrated efficacy of telehealth services,<sup>4</sup> address the

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<sup>1</sup> Centers for Medicare and Medicaid Services. (1997). Medicaid and school health: A technical assistance guide. Retrieved from [http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/School\\_Based\\_User\\_Guide.pdf](http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/School_Based_User_Guide.pdf)

<sup>2</sup> Centers for Medicare and Medicaid Services. "Medicaid school-based administrative claiming guide." *Centers for Medicare and Medicaid Services* (2003).

<sup>3</sup> Centers for Medicare and Medicaid Services. (December 15, 2014). Medicaid Payment for Services Provided without Charge (Free Care). State Medicaid Director Letter# 14-006. Available at <http://www.medicaid.gov/federal-policy-guidance/downloads/smd-medicaid-payment-for-services-providedwithout-charge-free-care.pdf>.

<sup>4</sup> Reynolds, Cori A., and Erin D. Maughan. "Telehealth in the school setting: An integrative review." *The Journal of School Nursing* 31.1 (2015): 44-53.

administrative challenges for schools to receive Medicaid reimbursement,<sup>5</sup> and tackle some of the unique policy challenges of the pandemic.

School districts leverage their Medicaid funds to stretch scarce health care resources and to make reinvestments in their school-based health care programs. Two-thirds of districts report using Medicaid reimbursement to support the work of health professionals and other specialized instructional support personnel (e.g., speech-language pathologists, audiologists, occupational therapists, school psychologists, school social workers, and school nurses) who provide comprehensive health and mental health services to students.<sup>6</sup> Districts also use Medicaid funding to expand the availability of a wide range of health and mental health services available to students, including to students of color, who are more likely to lack consistent access to health care professionals.<sup>7</sup> Schools also serve as trusted messengers in the communities they live in and, as a result, can play a key role in care coordination, as well as Medicaid outreach and enrollment activities. Further, some districts depend on Medicaid reimbursements to purchase and update specialized equipment, or to perform care-coordination activities and connect Medicaid-enrolled students with physicians outside of school.<sup>8</sup>

### **Updated Guidance is Needed to Strengthen and Streamline School-Based Medicaid**

The school-based Medicaid program is unique in each state and reflects local opportunities and priorities. Strong partnerships between CMS and states, as well as with school districts, are key to the program; however, the federal documents that guide the school-based Medicaid program are outdated and do not reflect the realities facing states and school districts today.

We call on CMS to update both the Medicaid School Health Technical Assistance Guide and the Administrative Claiming Guide to better support states in designing and implementing their school-based Medicaid programs, including how to address significant implementation barriers faced by schools. The guidance should be updated with significant input from states and stakeholders. At a minimum, the updated guidance documents should:

- Share best practices and state examples for how Medicaid has increased the availability of school-based mental and behavioral health services, including expanding and streamlining the types of reimbursable providers and services; improving care coordination and partnerships with community-based mental and behavioral health services; and, opportunities to allow for reimbursement of more early-intervention and prevention services, as well as building trauma-informed schools and preventing and treating substance use disorders.
- Encourage the use of telehealth services. The CMS guidance documents currently in effect predate telehealth as a modality for delivering school-based services. It is critically important to address reimbursing effective and consistent application of telehealth services to Medicaid eligible children and making that guidance permanent.

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<sup>5</sup> Pudelski, Sasha. "Structural Inefficiencies in the School-Based Medicaid Program Disadvantage Small and Rural Districts and Students." *AASA, The School Superintendent's Association* (2020).

<sup>6</sup> Pudelski, Sasha. "Cutting Medicaid: A Prescription to Hurt the Neediest Kids." *AASA, The School Superintendent's Association* (2017).

<sup>7</sup> Flores G. "Technical report--racial and ethnic disparities in the health and health care of children." *Pediatrics*. 2010 Apr 125(4):e979-e1020. doi: 10.1542/peds.2010-0188.

<sup>8</sup>Centers for Medicare and Medicaid Services. "Medicaid school-based administrative claiming guide." *Centers for Medicare and Medicaid Services* (2003).

- Promote the expansion of school-based Medicaid programs. Building on the success of the 13 states that have expanded their school-based Medicaid programs since the release of the 2014 State Medicaid Director letter on free care, CMS should update all relevant guidance and provide best practices for expanding state programs to include all Medicaid-enrolled students and to cover all Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services in schools.
- Coordinate with the US Department of Education (ED) to help ED, states, and other stakeholders remove barriers to full participation in school-based Medicaid programs, such as addressing the administrative and documentation challenges associated with school-based Medicaid, including those faced by small and rural school districts, and supporting states in including school psychologists and other school-based providers who are credentialed by state education agencies in becoming Medicaid-eligible providers.
- Clarify how states could use a uniform, cost-based reimbursement methodology and provide examples of how CMS has permitted States to use a time study methodology to provide interim payments to schools and cost settlements in lieu of fee-for-service and transactional billing to dramatically reduce the administrative burden on school district personnel.
- Mitigate the burden to meet Third-Party Liability requirements.
- Clarify the role that other Medicaid stakeholders, including Medicaid managed care organizations, community mental health centers, health care delivery systems and others can play in the delivery of school-based health services, and how they may seek reimbursement.
- Strengthen the role of school-based health centers, including providing additional guidance on the impact of prior authorization policies and Medicaid MCO contracting agreements on reimbursement.

The current pandemic has highlighted both the importance of and lack of school-based health services throughout the United States. As districts and communities grapple with the profound impacts of the COVID-19 pandemic on children, it is imperative that schools meet the critical health care needs of children. It is time for CMS to take decisive and meaningful steps to improve this program and ensure that school districts are able to effectively bill Medicaid. Working with states and stakeholders to update the CMS guidance school-based health services is a long overdue and beneficial step that CMS can take to improve health care in schools.

We call on CMS to update both Medicaid School Health Technical Assistance Guide and Administrative Claiming Guide by June 1, 2021.

Sincerely,

AASA, The School Superintendents Association  
 Healthy Schools Campaign  
 AIDS Alliance for Women, Infants, Children, Youth & Families  
 American Academy of Pediatrics  
 American Association for Marriage and Family Therapy  
 American Association for Psychoanalysis in Clinical Social Work  
 American Association of Suicidology  
 American Federation of Teachers  
 American Foundation for Suicide Prevention  
 American Occupational Therapy Association

American Physical Therapy Association  
American Psychological Association  
American Public Health Association  
American Speech-Language-Hearing Association  
Anxiety and Depression Association of America  
Association for Ambulatory Behavioral Healthcare  
Association of School Business Officials International (ASBO)  
Autistic Self Advocacy Network  
Center for School Health Innovation & Quality  
Children's Health Fund  
Community Catalyst  
Families USA  
Family Voices  
First Focus on Children  
Girls Inc.  
Global Alliance for Behavioral Health & Social Justice.  
International OCD Foundation  
International Society for Psychiatric Mental Health Nurses  
National Alliance on Mental Illness  
National Association for Children's Behavioral Health  
National Association of Elementary School Principals  
National Association of Pediatric Nurse Practitioners  
National Association of School Nurses  
National Association of School Psychologists  
National Association of Secondary School Principals  
National Association of Social Workers  
National Association of State Mental Health Program Directors  
National Association of State School Nurse Consultants  
National Center of Excellence for Eating Disorders  
National Education Association  
National Health Law Program  
Nemours Children's Health System  
Prevent Blindness  
School-Based Health Alliance  
SMART Recovery  
The Education Trust  
The Jed Foundation  
The National Alliance to Advance Adolescent Health  
The Trevor Project  
United Way Worldwide

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