An In-Depth Look at Expanding School-Based Medicaid Programs

July 28, 2020
Session Overview

• Provide an update on federal and state policy on expanding access to school health services through Medicaid
• Highlight the momentum that states have in expanding access to school health services—and trends in what states are doing
• Provide high level overview of how two states are expanding school-based Medicaid and the defining features of the new SPAs
• Explore how school-based Medicaid can support school budgets during the COVID pandemic
Thanks to Our Supporters

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Today’s Speakers

• Lena O’Rourke, on behalf of Healthy Schools Campaign
• Melinda Hollinshead, Senior Advisory, Public Consulting Group
• Shannon Huska, Financing Unit Manager, Colorado Department of Health Care Policy and Financing
• Kathleen Merry, Medicaid Administrator, Wayne County Regional Educational Service Agency, Michigan
• Moderator: Alex Mays, Healthy Schools Campaign
Context

• National momentum has influenced the partnership between CMS and states around school-based Medicaid programs

• COVID has highlighted the importance of school-based health services and providers but created other challenges
Background on School Medicaid

● For 30 years, Medicaid has paid for eligible school health services included in students’ Individualized Education Programs (IEP)

● 37% of all school-aged children receive health coverage through Medicaid and

● Medicaid spending on school-based health services is less than 1% of total Medicaid spending, but it’s significant for schools.
Eligibility for School-Based Medicaid

- Historically, Medicaid would only pay for health services included in the IEPs of students enrolled in Medicaid.
- A 2014 change in federal policy is an opportunity to expand school-based services to ALL Medicaid-enrolled students.
  - This is known as the Free Care policy reversal.
Seizing the Opportunity

• Many states have or are considering expanding school-based Medicaid
• Several models being considered in how to design school-based Medicaid programs
  • Reflect the uniqueness of each state’s existing program
• CMS is actively working with states considering expanding school-based Medicaid—and approving SPAs
• As states are facing potential budget shortfalls, more are looking to the relationship between schools and Medicaid to support student health
Expansion of School-Based Medicaid Programs as of June 2020

- **Expanded School-Based Medicaid Program: State Plan Amendment Approved by CMS**
- **Expanded School-Based Medicaid Program: No State Plan Amendment Needed**
- **Expansion Pending CMS Approval of State Plan Amendment**
State Flexibility

• There is no “one size fits all” model for school-based Medicaid programs
• CMS has approved changes that are unique to each state
  • Kentucky and Florida changed a few words of their SPA to just lift the IEP restriction
  • Nevada elevated the language for delivery of services in schools to match their statewide program
  • States such as Georgia and Michigan have chosen to focus expansion primarily on nursing or mental/behavioral health services
CMS Trends

• Broader based language in state plans for services delivered in schools
• Eligible providers
• Random Moment Time Study and cost settlement calculation
• Flexibility in the face of the public health emergency
Covered Services

• CMS has encouraged some states to strike the covered services and instead include coverage of all EPSDT and Medicaid eligible services

• Why this matters:
  • Ensures that all medically necessary services delivered in a school by a qualified provider are reimbursable under the school-based Medicaid program
Coverage of New Provider Types

- CMS has worked with states to include new types of providers into the school-based Medicaid program – assessment of comparability of eligibility requirements.

- Why this matters:
  - These providers are delivering qualified services to Medicaid-enrolled students. Including them in the school-based Medicaid program allows states to draw down federal funds for the services they deliver
RMTS/Response Times

- CMS continues to push states on their RMTS including moving towards shorter notice and response times
- Why this matters:
  - Notifying providers of an upcoming sampled moment helps providers keep track of what they were doing during the time of the scheduled moment to ensure accuracy, and helps providers make sure they respond within the allotted time following the moment. In some states the reduction in allowable notification and response could negatively impact response times
- Waivers to states during the pandemic
Cost Settlement Considerations

• Approval of additional codes to accurately capture time spent delivering claimable IEP and free care services
• Approval for different eligibility rates for students with and without IEPs
• Why this matters:
  • A critical factor for free care expansion in states with cost settlement was the approval by CMS to allow different factors in the calculation of the cost settlement for IEP and free care services to ensure that each could be cost settled independently
Moving Forward

• Significant national momentum for expanding school Medicaid programs prior to school closures – COVID has built on that momentum

• Importance of supporting the health of students is more important now than ever and student health needs will only increase as schools reopen

• How are states responding to the current circumstances
  • Impact on states currently in the process of expansion
Presentation Overview

• Colorado expanded our school-based Medicaid program to cover students without an IEP and to include new provider types
  • Received CMS approval in 2020
• Review Colorado’s process for analyzing the opportunity and impact
• Highlight progress in implementing the expanded program
• Share lessons learned
Milestones

**Phase 1**
- Used previous time study data and cost reporting assumptions to determine if expanding services would benefit CO

**Phase 2**
- On-site visits with districts/BOCES
- Identified other plans of care used to prescribe medical services
- Identified additional providers to the direct service cost pool

**Phase 3**
- Conducted a time study pilot
- Identified opportunities to increase statewide reimbursement

**Phase 4**
- Drafted SPA and TSIG
- CMS approval for SPA and TSIG
- SHS Free Care program transformation begins
Phase 4 Program Updates

Services
- Services covered in the community can be performed in a school-based setting by a qualified medical provider
- Established medical necessity by a qualified medical provider operating within the scope of his/her practice outside of IEP/IFSPs
- Mental/behavioral health services that are identified on a medical plan of care outside IEP/IFSPs and performed by a qualified medical provider

Time Study
- Direct medical service codes (4B-IEP/IFSP, 4C-other plans of care)
- 24-hour prior moment notifications, 2-day moment response window
- Transportation codes (5A, 5B)

Medicaid Enrollment Ratio
- MER will be applied to other medical plans of care

Cost Pools
- TCM removed
- Job category changes
New Job Categories

Three job categories will be added to the DS cost pool starting in the OD20 quarter:

- Applied Behavior Analyst
- Speech Language Pathologist Assistant
- School Psychologist

• No Administrative Outreach Personnel cost pool job categories were added
New Plans of Care

This model is relevant to all medical plans of care including IEP/IFSPs:

1. **Established medical necessity**

2. **Scope**
   - Explanation of services to be provided

   **Frequency / Duration**
   - For which the service will be delivered:
     - How often
     - Length of each session
     - Length of plan

3. **Provider logging services**
Training Time Study Participants

It will be important for districts to train time study participants about the upcoming program changes that will occur in OD20. Below are some frequently asked questions regarding training:

Why should I train my participants?

It will be important for your participants to know which medical plan of care they are working from when providing services to students.

Do I have to participate if I have no new providers to add to my SPL?

Yes. All participating districts/BOCES will be impacted by the Free Care expansion regardless of adding providers; time study results are statewide percentages.

Who should I start training first?

Existing participants is an important place to start since they will be impacted the most by the change.
Lessons Learned

• **TRAINING!!!!**

• Communication

• Stakeholder Engagement

• Transparency

• Continued Research / Openness
Presentation Overview

• Michigan expanded their school-based Medicaid program to include students without IEPs and to include new provider types
  • CMS approved SPA in 2019; program now operational
  • Dedicated funding (31n) approved by the state to support the work
• Highlight lessons learned for creating buy-in for implementation
• Share updates on current program
• Discuss barriers encountered during implementation
Timeline:

• December 2014 – Dear State Medicaid Director Letter
• July 2017 – Michigan decides to go for it
• December 2018 – 31n funding
• August 2019- CMS approval of Michigan’s state plan amendment (SPA)
• October 1, 2019- Caring for Students (C4S) operational!
Caring for Students (C4S)

• Approval of Michigan’s SPA by CMS allowed Michigan to implement Caring for Students which expands Michigan’s existing, federal, cost-based school-based services reimbursement program.

• Michigan can receive Medicaid reimbursement for services provided to all students if:
  • The student is enrolled in Medicaid
  • The services provided are covered by EPSDT
  • Services are delivered by a licensed provider under their scope of practice (as outlined in the Medicaid state plan)
  • The State adheres to Medicaid-approved billing methodologies.

• Enhanced the list of qualified providers to include nurse practitioners, physician assistants, clinical nurse specialists, marriage and family therapists, behavior analysis, school social workers and school psychologists
Now for the "buy-in"....

• For the program to succeed, it was critical to explain C4S and get buy-in from stakeholders.

• Focus groups established
  • Staff pool list (SPL)
  • Random moment time study (RMTS)
  • Finance
  • Plan of care
  • Process (communication)
  • Audit

• Process (communication) workgroup realized that convincing local education agencies (LEA) to participate in C4S meant describing the program as simply as possible and explaining the difference between the federal C4S program and 31n, a state school aid allocation.
Parallel efforts to support school health

• The state rolled out two efforts in parallel
  • 31n: Funding included as a budget item in the State School Aid Act that grants money to hire NEW staff to provide mental health services to general education students on Medicaid
  • C4S: Expansion of federal, cost-based school-based services reimbursement program
• Rolling out both legislative (31n) and expansion of the current, cost-based program (C4S) simultaneously created some confusion
Information provided to Intermediate School Districts (ISD) and Local Superintendents
C4S allows ISDs, Detroit Public Schools Community District (DPSCD), and the Michigan School for the Deaf (MSD) to bill Medicaid for health and mental health services provided to Medicaid-eligible general education students.
C4S Process
Documents
Caring 4 Students (C4S) Requirements

*Use this chart once an assessment has determined the need for behavioral health services.

**Referral for Services**

Providers will decide how referrals to services will be made that meet Medicaid * requirements. The service must be medically necessary – evidence-based and provided to prevent, diagnose or treat an illness, injury, condition, disease or its symptoms.

*See C4S policy

**Consent to Bill**

Parental consent is needed to access a student’s health insurance information in order to seek reimbursement for services provided. Consent only needs to be obtained one time as long as student remains within same ISD.

**Consent to Treat**

In addition to the consent to bill for services provided, parental consent * to treat the student is also required.

*Reference MI Minor Consent Law.

**Plan of Care**

A Plan of Care (POC) must be developed, with measurable goals & services with anticipated frequency and duration. Also include service coordination efforts with applicable providers.

*Crisis intervention can be provided without a POC for up to 30 days.

**Service Documentation**

All services must be documented and include the date of service, service details, progress toward goals and a monthly progress note.

**Billing**

All services must be billed through the ISD’s designated billing system. Providers will need training on how to submit appropriate services for billing per Medicaid policy.
Caring 4 Student (C4S) Flowchart

**Referral for Services**
- Referral for services will be made according to where the identified service fits within the MTSS system.
- Consider what data will need to be collected and reviewed.

**Parent/Guardian Notification and Consent**
- Must be obtained prior to providing services and claiming.
- If parent/guardian gives consent to treat and claim services, use date of signature to begin claiming services.
- If parent/guardian does not consent to treatment or claiming, use date of parent/guardian decision to document refusal.
- Consent is only needed once as long as the student remains in county.
- Submit a copy to district Medicaid office.

**Assessment/Diagnosis**
- Designated staff member will complete assessment and diagnosis (if applicable).
- If student has a diagnosis from an outside agency, information should be considered through assessment process.
- Consider Child Find 504/ADA and/or IDEA.

**Plan of Care**
- Create a Plan of Care (updated annually) including the following:
  - Student name and date of birth.
  - Description of the student's medical or behavioral health condition and, when applicable, diagnosis.
  - Time-related goals that are measurable and significant to the student's health.
  - Long-term goals that identify specific achievement to serve as indicators that the service is no longer necessary.
  - Anticipated frequency and duration of interventions or services required to meet the goals.
  - Plan for reaching the goals.
  - A statement detailing coordination of services with applicable providers; and
  - All services provided with the expectation that the student's PCP and case manager is informed on a regular basis.

**Service Documentation**
- Include start and end time.
- Diagnosis/presenting problem.
- Service code.
- Clearly describe session (i.e., SOAP note).
- Monthly progress summary.
- Document in electronic system.

**Progress Review**
- Periodic review of progress is required.
- Update on goal progress.
C4S Program
Who’s Qualified?

DIRECT SERVICE POOL
PROVIDER QUALIFICATIONS / REQUIREMENTS

Behavioral Health

- Michigan LARA Licensed Counselors, Marriage and Family Therapist, MDE credentialed or LARA Licensed Psychologists, Board Certified Behavioral Analysts & Social Workers.
- Medically necessary screening, diagnosis and assessment, treatment and other services to correct or ameliorate a behavioral condition.

Nursing

- Michigan Licensed Nurses (LPNs & RNs), Qualified School Nurses, Certified Nurses (Practitioner & Clinical Specialists)
- Medically necessary screening, treatment and other services to correct or ameliorate a behavioral health or medical condition.

Step 1: REGULAR DUTIES/RESPONSIBILITIES
Does the provider regularly perform assessments and/or medically prescribed therapies/treatments/ pursuant to a student's established Plan of Care? (IE. Section 504, Behavior Intervention, Health Care, etc.)
Yes - Move to next step
No - STOP (provider does not qualify for program)

Step 2: FUNDING SOURCE:
Is the provider 100% federally funded?
Yes - STOP (provider is not eligible for program)
No - If partially federally funded or not federally funded proceed to next step
*If 100% federally funded consider adjusting.

Step 3: VERIFYING MDHHS MEDIACID BILLER QUALIFICATIONS/ REQUIREMENTS:
Does the provider meet all identified qualifications / requirements?
Yes - Add provider to Direct Service Pool
No - STOP (provider does not qualify for program)
Where are we today?

• C4S still not fully operational...
  • Who to add to the staff pool list?
  • Vendor claiming technology (new codes required)
  • COVID-19

Is it worth it? YES!
Bumps Along the Way

• New staff - where do we get them?
• Current staff - Why me?
• However...
  • COVID-19: Now more than ever kids need mental health services and districts need more revenue

FREE CARE helps!
Q&A