

September 2020

The Honorable JB Pritzker
Governor, State of Illinois
207 State House
Springfield, IL 62706

Re: Expanding Illinois' School Medicaid Program (Free Care Rule)

Dear Governor Pritzker:

The COVID-19 pandemic has emphasized the critical role that schools play in the provision of health services to students and highlighted significant deficits in the current school health services system. The impact of this crisis has demonstrated the stark disparities in our health and education systems, with a profound impact on low-income communities of color, complicating pre-existing gaps in health services and compounding an already inequitable distribution of resources. **We are seeing first-hand how schools often represent the only source of healthcare—including mental health, dental, vision, chronic disease management, and other crucial services—for children in underserved communities.**

It is more critical than ever to ensure strong student health and wellness policies and programs are in place and schools have the sustainable resources they need to implement these programs. Providing healthcare in schools is one of the best ways to ensure that children are healthy and ready to learn. In addition, increasing access to school health services is a proven strategy for improving healthcare outcomes, including reducing overall healthcare costs and improving the quality of and access to care for vulnerable children. **Illinois has an important opportunity to dramatically expand comprehensive school-based physical and mental and behavioral health services for the state's most vulnerable children by making a simple change to its Medicaid policy.**

In 2014, the Centers for Medicare and Medicaid Services (CMS) [issued a letter](#) to state Medicaid directors that reversed its existing guidance about which services can be reimbursed by Medicaid in a school-based setting. School districts, once limited to receive reimbursement for services delivered to a small number of students under specific conditions, are now allowed reimbursement for all eligible services delivered to all Medicaid-enrolled students. **This policy change presents an important opportunity for states to draw down additional federal funding for school health services and expand health services for children, with no additional cost to the state.**

In order to leverage this opportunity, the majority of states, including Illinois, must submit a Medicaid State Plan Amendment (SPA) to CMS to remove restrictive language based on the pre-2014 guidelines from their state Medicaid plan. To date, [thirteen states have successfully](#)

[expanded their school-based Medicaid programs](#) through this opportunity and many more are expected to do so in the coming year.

It is especially critical that Illinois move to enact this policy change now, due to a key factor in the SPA process: **School districts will be able to retroactively bill Medicaid for services provided from the date the SPA is submitted—not the date it is approved.** So every day that goes by that Illinois does not submit the SPA, districts are losing thousands of dollars in potential revenue. And as school districts are struggling to ensure they have enough resources to meet budgets for the upcoming school year and provide adequate school health services as remote learning continues, this additional funding can help offset costs and ensure the needs of students are being met.

On behalf of the undersigned organizations, we are writing in support of the submission of a SPA to CMS, allowing for expanded reimbursement to schools for the essential mental and physical health services that Illinois students need. This policy change will build on the existing school health service delivery system in Illinois and support increased access to health care for hundreds of thousands of children in the state. We stand ready to support and assist in the successful implementation of this important opportunity.

Thank you.

cc:

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