

HEALTHY SCHOOLS CAMPAIGN

EVERY CHILD DESERVES TO LEARN + THRIVE

Healthy Student State Plan Amendment Recommendations

February 2021

Background

In 2014, the Centers for Medicare and Medicaid Services (CMS) issued a [state Medicaid director letter](#) clarifying how Medicaid reimburses for school health services. This clarification, known as the free care policy reversal, allows states more flexibility in their school-based Medicaid programs by permitting school districts to bill Medicaid for health services delivered to all Medicaid-enrolled children, not just those with a special education plan documented by an Individualized Education Program (IEP) or Individualized Family Service Plan (IFSP). In order to implement this change, some states, including Illinois, need to submit a state plan amendment (SPA) to CMS. Expanding Illinois' school Medicaid program presents an important opportunity for the state to draw down additional federal funding for school health services and expand health services for children, with no additional cost to the state.

Healthy Schools Campaign (HSC) has developed preliminary recommendations for expanding Medicaid funded school health services in Illinois, with input from representatives of statewide school-based health professional associations and over 20 school districts and following a review of how 13 other states have expanded their state school-based Medicaid program. The professional associations that provided input include Illinois Alliance of Administrators of Special Education, Illinois Association of School Nurses, Illinois Association of School Social Workers, Illinois School Counselor Association, Illinois School Psychologists Association and Illinois Speech-Language-Hearing Association.

The recommendations included below represent an informed starting point, however HSC recognizes they may be adjusted based on feedback received in ongoing engagement with the Illinois Department of Healthcare and Family Services (HFS), the Illinois State Board of Education (ISBE), additional school districts and other key stakeholders to ensure a comprehensive proposal.

Key Considerations

Eligible Services

The following school health services are currently Medicaid eligible if they are included in a students' Individualized Education Program (IEP) or Individualized Family Service Plan (IFSP):

- Audiology services
- Developmental assessments
- Hearing screening
- Medicaid equipment
- Medical services
- Medical supplies
- Nursing services
- Occupational therapy
- Physical therapy
- Psychological services
- School health aide
- Social work services
- Speech/language services
- Transportation
- Vision screening

CMS' 2014 policy clarification presents the opportunity for Illinois to expand its school Medicaid program to include all medically necessary services delivered to all Medicaid-enrolled students.

Recommendation

Amend the state Medicaid plan to allow LEAs to seek Medicaid reimbursement for medically necessary services in an IEP, IFSP, 504 Plan, other individualized health or behavioral health plan, or where medical necessity has been otherwise established.

Eligible Service Providers

The following school health providers are currently recognized as Medicaid eligible in Illinois and are included in the [LEA Handbook](#):

Audiology Services

- Master's degree and licensed audiologist
- Master's degree and Certificate of Clinical Competence in audiology Developmental Assessments
- Non-physician personnel trained in administering vision, hearing, or developmental assessments

Medical Services

- Licensed physician (MD or DO)

Nursing Services

- Licensed Registered Nurse (RN)
- School Nurse (LSN) with Professional Educator License through ISBE
- Licensed Practical Nurse (LPN) licensed under the Illinois Nursing Act, under the direction of a RN or LSN

Occupational Therapy

- Licensed and registered (AOTA) Occupational Therapist
- Certified OT Assistant, under the direction of a licensed OT

Physical Therapy

- Licensed Physical Therapist
- Certified PT Assistant, under the direction of a licensed PT

Psychological Services

- School Psychologist with Professional Educator License through ISBE
- Licensed Clinical Psychologist
- Psychologist Intern with ISBE approval, under the direction of a qualified school psychologist

School Health Aide

- Trained LEA staff, under the direction of skilled medical or qualified personnel

Social Work Services

- School Social Worker with Professional Educator License through ISBE
- Licensed Social Worker with a Master's Degree in Social Work
- Social Work Intern with ISBE approval, under the direction of a qualified social worker

Speech/Language Services

- Type 03, 09, 10 Teaching or Professional Educator License endorsed in SLP with
 - Certificate of Clinical Competence, OR
 - Education and work experience equivalent to Certificate of Clinical Competence, OR
 - License, OR
 - Complete academic requirements and acquiring work experience to qualify for license (i.e. SLP intern)

There are also a number of providers who are either credentialed by the Illinois Department of Human Services or licensed by ISBE and may be delivering health services in schools but are currently not Medicaid eligible. In addition, there are a number of Medicaid eligible providers who may be delivering services in schools and are licensed by the Illinois Department of Professional Regulation but are not listed in the [LEA Handbook](#) and LEAs are therefore not able to seek reimbursement for the health services they deliver. The following recommendations seek to address these issues and ensure qualified school health providers are able to bill Medicaid for eligible school health services.

Recommendations

1. Expand the list of Medicaid-eligible providers to include the following providers:
 - Applied Behavioral Analysis Providers
 - **Board Certified Behavior Analyst** credentialed by the Illinois Department of Human Services Division of Developmental Disabilities
 - **Board Certified Assistant Behavior Analyst** credentialed by the Illinois Department of Human Services Division of Developmental Disabilities
 - **Registered Behavior Technician** credentialed by the Illinois Department of Human Services Division of Developmental Disabilities
 - **Licensed School Counselor** with Professional Education License through ISBE
 - **School Counselor Intern** with ISBE approval, under the direction of an ISBE licensed school counselor
 - **Orientation and Mobility Specialist** licensed by the Academy for Certification of Vision Rehabilitation and Education Professionals
 - **School Marriage & Family Therapist** with Professional Education License through ISBE
 - **School Marriage & Family Therapist Intern** with ISBE approval, under the direction of an ISBE licensed school marriage & family therapist

2. Update the LEA Handbook to include the following Medicaid-eligible providers who are licensed by the Illinois Department of Professional Regulation.
 - Chiropractor
 - Counselor, Clinical Professional
 - Counselor, Professional
 - Dentist
 - Dental Hygienist
 - Dietitian Nutritionist
 - Marriage & Family Therapist
 - Nurse, Advanced Practice Registered
 - Optometrist
 - Osteopath
 - Pharmacist
 - Pharmacy Technician
 - Physician
 - Physician Assistant
 - Podiatrist
 - Prescribing Psychologist
 - Psychiatrist
 - Respiratory Care Practitioner
 - Social Worker

Lessons Learned from Other States

The recommendations above align with recent changes made by other states in expanding their school Medicaid programs. To date, 13 states have expanded their school Medicaid programs to include all medically necessary services delivered to Medicaid-enrolled students. A summary of key changes made by states recently receiving approval follows:

State	Date SPA Approved	Overview	Medicaid-eligible Providers Added	Guidance and Other Key Documents
Colorado	2/11/2020	The SPA recognizes school health services as Medicaid eligible services delivered to Medicaid eligible student beneficiaries that require medical or mental/ behavioral health services identified as medically necessary in an Individualized Education Program (IEP), Individualized Family Service Plan (IFSP), 504 Plan, other individualized health or behavioral health plan, or where medical necessity has been otherwise established.	Licensed applied behavior analysts Speech language pathologist assistants School psychologists	School Health Services Program Manual School Health Services Resource Page Understanding the Financial Impact of Expanding Medicaid Funded School Health Services in Colorado
Louisiana	4/24/2020	The SPA adds language to recognize school health services as medically necessary services provided by local education agencies (LEAs) are reimbursable when included on a recipient's individualized service plan (IEP), a section 504 accommodation plan, an individualized health care plan, an individualized family service plan, or medical need documentation.	Licensed EPSDT providers Licensed Behavior Analyst Licensed Master Social Workers Certified Master Social Workers practicing under the supervision of a Licensed Social Worker Certified School Psychologists practicing under the supervision of a licensed Psychologist.	Updated program manual under development

Michigan	8/08/19	The SPA recognizes all early and periodic screening, diagnosis and treatment (EPSDT) services as Medicaid eligible in the school setting.	Physician assistants Certified nurse specialists Marriage and family therapists Behavior analysts School social workers School psychologists	Medical Services Administration Provider Bulletin Medicaid Provider Manual Expanding Michigan's School-Based Medicaid Program (includes a detailed, side by side comparison of services and providers pre and post SPA)
Nevada	10/24/2019	The SPA recognizes all EPSDT services as Medicaid eligible in the school setting.	None	Medicaid Services Manual - School Health Services

Prepared by Healthy Schools Campaign. For additional information contact Alex Mays, Senior National Program Director, at alex@healthyschoolscampaign.org.