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GETTING STARTED: UNDERSTANDING THE SCHOOL HEALTH LANDSCAPE

In order to improve school health services, it is important to know what services are already provided in your state, where there are gaps and unmet needs, and if and how they are reimbursed by Medicaid.

When trying to understand the role that Medicaid plays in school-health services, there are some preliminary questions to investigate:

1. What are the highest-priority student health needs in my school and community?

Understanding the health issues that affect students in your school, school district and community is a key step toward identifying the changes you want to make to your school Medicaid program. This can be accomplished by examining student-level data collected via health information cards, Individualized Education Program (IEP) and 504 plans for children with disabilities, and school health provider records.

In addition, aggregate-level data available at the school and community level can be helpful in better understanding the health issues in your district. For example, all nonprofit hospitals are required to complete community health needs assessments and make this information publicly available. These assessments usually draw on public health data and present a snapshot of the leading health issues affecting all populations in the community, including children.

Local community health data can be accessed by contacting your local public health agency; state health departments may also have data that would allow for comparisons across the state and between counties.

2. What health services do students have access to in schools? How are those services being provided?

Many students receive physical and behavioral health services in schools. Some services, like vision screenings and vaccination programs, are made available to the entire student population. These serve a key public health function as well as provide access to preventive care that the students may not otherwise receive. Other day-to-day health services, such as bandages and ice-packs, are widely available to the general student population.

For students with special needs, medical and behavioral health services that are listed in a student's IEP must be provided in school to help with learning preparedness. These services often include physical therapy, speech therapy, occupational therapy, and mental health counseling. These services may also be available to students without IEPs, but often schools have limited staffing and capacity to meet the needs of all students.

Most districts, or local educational agencies (LEAs), hire some combination of medical and behavioral health providers to deliver school-based services. These providers may be directly hired by the LEA or contracted through an external staffing service. They include school nurses, counselors, social workers, psychologists, speech-language pathologists, occupational therapists, physical therapists and others. The makeup and quantity of the LEA-employed workforce depends on many different factors but is often driven by the district's budget and priorities. For example, some districts have a school nurse in every school, but in many districts, a school nurse serves more than one school.

There are also healthcare delivery systems that provide services to students. For example, school-based health centers play a growing role in supporting student health. Some LEAs also partner with community-based providers to expand student access to services. Partnerships with local hospitals, universities, community health centers, public health departments or mobile clinics (such as oral health vans) provide invaluable services and expand access.

3. Can LEAs seek Medicaid reimbursement for health services provided to all Medicaid-enrolled students?

LEAs can seek Medicaid reimbursement for health and behavioral health services included in the IEPs and Individualized Family Service Plans (IFSPs) of Medicaid-enrolled students. All states except Wyoming currently seek Medicaid reimbursement for these services.⁸

Some states have expanded their school-based Medicaid programs to include services provided to Medicaid-enrolled students without IEPs or IFSPs (see Chapter 6 for more about expanding school-based health services). For more information about Medicaid eligibility in your state, contact the state Medicaid agency. The Medicaid billing specialist in your school or LEA will have information about specific billing and claiming questions.

Additional resources:

- [*Where Are States Today? Medicaid and CHIP Eligibility Levels for Children, Pregnant Women, and Adults*](#), a fact sheet developed by the Kaiser Family Foundation, provides a national overview of Medicaid eligibility for children.
- [*State Efforts to Implement the “Free Care” Policy Reversal*](#), developed by Community Catalyst and Healthy Schools Campaign, provides an overview of the states that have

8. LEAs can also seek Medicaid reimbursement for certain services delivered through the Maternal and Child Health Block Grant. More information is available in the 1997 school Medicaid TA guidance.

expanded (or that are planning to expand) their school-based Medicaid program to cover all students. If your state is not listed here, it is likely that it only bills for services included in the IEPs and IFSPs of students enrolled in Medicaid.

4. What health services does Medicaid cover in a school-based setting?

All states are required to offer comprehensive physical and behavioral health services for children, including prevention and diagnostic services, but not all of those services are covered in a school-based setting. Services Medicaid will commonly reimburse for include in-school nursing services, physical therapy and counseling. In some states, all health services are eligible for reimbursement if they are deemed medically necessary and can be delivered in a school-based setting by a qualified provider.

It is important to note that many more physical and behavioral health services may be offered in a school-based setting other than those covered by Medicaid. These services would not be eligible for Medicaid reimbursement and funding would need to come from other sources. Identifying which services are covered in the Medicaid state plan can reveal potential health gaps—and opportunities to pursue state policy to expand the menu of covered services in schools.

To find out more about Medicaid-covered services in your state, visit your state’s school Medicaid program or education department website. Healthy Schools Campaign’s program website Healthy Students, Promising Futures includes information on each state’s school Medicaid program, including the Medicaid-covered services and providers in each state: <https://healthystudentspromisingfutures.org/map-school-medicaid-programs>.

5. Are there restrictions on the types of providers that can be reimbursed for delivering Medicaid-eligible services?

Schools can bill for services covered in the state plan only if the services are delivered by qualified providers. The state plan will list the types of providers eligible to deliver services in school-based settings, as well as the scope of those services. Those providers, including both LEA and contract employees, might include school nurses, counselors, psychologists, speech-language pathologists, physical therapists and occupational therapists.

The state Department of Education determines certification requirements for providers who are exclusively school-based, while, in general, the state licensing board determines requirements for all other medical/Medicaid providers. The requirements set by the state Department of Education and state licensing board may differ.

The Centers for Medicare & Medicaid Services (CMS) requires that any provider seeking reimbursement from Medicaid be recognized as a qualified provider -- someone who is approved to provide services to any Medicaid beneficiary, adult or child. In other words, holding a license or certification from the state Department of Education may not be sufficient to meet the federal requirements to be a Medicaid provider.

In some cases, such as for physical therapists, CMS requires that the provider meet federal licensing criteria. The state licensing requirements may be more demanding, but the federal requirement represents a minimum standard. In other cases, such as for social workers, the federal government does not set forth criteria for licensing or determining what constitutes a qualified provider, and meeting the requirements needed to be authorized under state law is sufficient.

In either case, any provider—including those who work in a school-based setting—wishing to bill services to Medicaid must meet whatever federal and state requirements apply.

For billing purposes, some states require that school health providers obtain their own National Provider Identifier (NPI), a unique identification number for covered healthcare providers. Other states require school districts to obtain an NPI (as the billing entity). Some states might have a particular mix of requirements; for example, licensed clinicians could be required to have NPIs, while non-licensed providers bill under the referring provider's NPI.

For states that require school providers to bill under the district's NPI, the burden is on the school district to verify that its providers are licensed and current on all licensing requirements. Districts are required to keep licensing documentation, which must be produced if the state/district goes through an audit. CMS does not provide licensing verification, so one of the appeals of having all the school health providers register via an NPI is that the state Medicaid agency can take on that role.

To find out more about the Medicaid-covered providers in your state, visit: <https://healthystudentspromisingfutures.org/map-school-medicaid-programs>

SCHOOL PSYCHOLOGISTS AS QUALIFIED MEDICAID PROVIDERS

School psychologists are regularly employed by schools and school districts and are an important part of a school’s mental health team. State credentialing is required for a school psychologist to practice in a school-based setting. Many states accept or align their credentialing requirements with the [Nationally Certified School Psychologist](#) (NCSP) credential.

In some states, school psychologists are recognized as a qualified provider type in the Medicaid state plan. However, many states did not—or do not—include school psychologists as qualified providers. Since these providers are a key part of the school behavioral health system, ensuring they can bill Medicaid is an important strategy to increase access to and resources for these services. As a result, more states are examining how to make school psychologists reimbursable under Medicaid.

For example, Michigan recently expanded its Medicaid program to allow reimbursement for services provided by school psychologists. To do this, the state had to provide verification that school psychologists are as qualified as clinical psychologists to deliver services in schools. Now, school districts can bill for services provided by school psychologists.

For more information about how Michigan expanded its school-based Medicaid program to cover services delivered by school psychologists, view [Expanding Michigan’s School-Based Medicaid Program](#).

6. What systems are in place to support your state’s school health services program?

There may be a wide range of supports and systems already in place in your state. For example, many LEAs have developed an infrastructure to help link school health services with Medicaid, including electronic case management and data collection tools. Vendors can be an important source of information and play a critical role in supporting billing and data sharing between agencies. Building on existing tools and supports can be an effective and efficient way of strengthening and expanding your state’s school health services program.