How Medicaid Cuts Will Harm Students and Schools

March 12, 2025

HEALTHY SCHOOLS
CAMPAIGN

Welcome & Introductions

Jennifer Tani
President + CEO, Healthy Schools Campaign

Housekeeping

Webinar is being recorded and we will share with participants

Ask questions and we will respond via the Q&A feature

Agenda

- **An Overview of Proposed Medicaid Cuts**
- **Survey Results: How Medicaid Cuts will Harm Students & Schools**
- **Panel: School Leaders Discuss How Medicaid Cuts Will Impact their Districts**
- **Getting Involved to Protect Medicaid and Schools**

Why School Health Services?

Increased access to health services

Reduced barriers and disparities to care

Strengthened prevention, early identification and intervention

Improved school attendance

Enhanced academic and health outcomes

What is Medicaid?

Comprehensive health insurance program

- Almost 40% of U.S. children are covered by Medicaid or CHIP
- Covers all medically necessary physical and behavioral health services for children

A shared partnership between state and federal government

- States make decisions about administration, eligibility, services and beneficiary protections, with Centers for Medicare and Medicaid (CMS) approval.
- Changes made through a state plan amendment (SPA) or a waiver

Medicaid Services in Schools

- Medicaid pays for health services included in Individualized Education Programs (IEPs) for students with disabilities and for general education students enrolled in Medicaid
- Medicaid is the fourth largest federal funding stream for schools
- Medicaid supports $7.5 billion of school-based health services

An Overview of Proposed Medicaid Cuts

Lena O'Rourke
On Behalf of Healthy Schools Campaign

Overview of Survey Results: How Medicaid Cuts will Harm Students & Schools

Jessie Mandle
National Program Director, Healthy Schools Campaign

Survey Overview

- Healthy Schools Campaign; The School Superintendents Association (AASA); Association of School Business Officials International (ASBO); National Alliance for Medicaid in Education (NAME); and Council of Administrators of Special Education (CASE)
- 1,440 school district leaders responded
- All 50 states and the District of Columbia

Medicaid is a Critical Funding Source for Schools

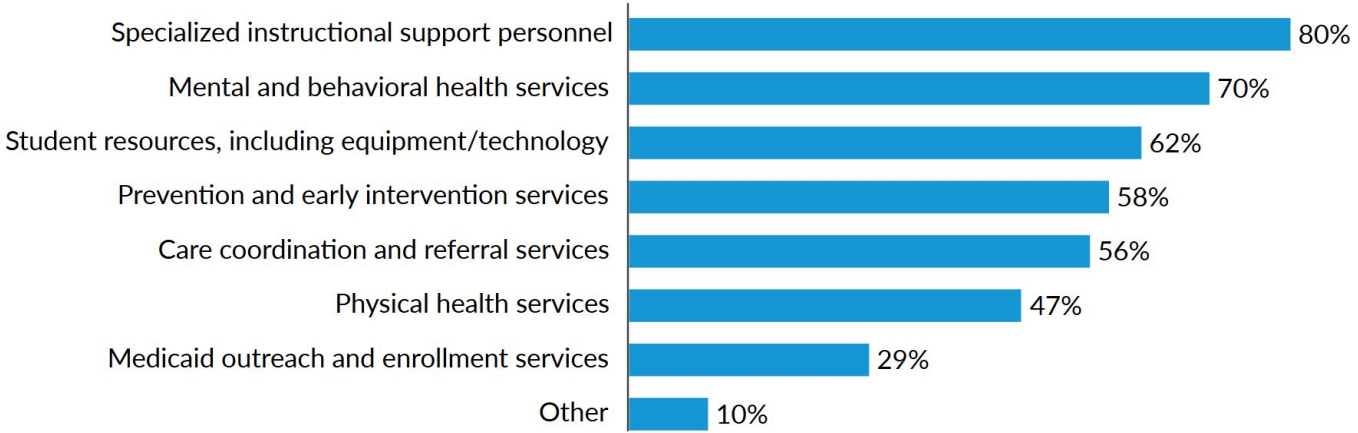
- **86%** use Medicaid funds for salaries of health professionals and specialized instructional support personnel
- **59%** use Medicaid funds for mental /behavioral health services
- **46%** use Medicaid funds for assistive technology and specialized equipment for students with disabilities
- **60%** reported an increase in Medicaid utilization over the last 5 years

“Forced to Make Devastating Cuts”

- **80%** will cut staffing for health professionals and specialized instructional support personnel
- **70%** will cut mental and behavioral health services
- **62%** will cut student resources, including assistive equipment and technology for students with disabilities.
- **58%** will cut prevention and early intervention services, including asthma, vision and hearing screenings

What Impact Would Medicaid Cuts Have on School Health Staff and Services?

% of respondents who said school health services and staff would be reduced in the following areas…



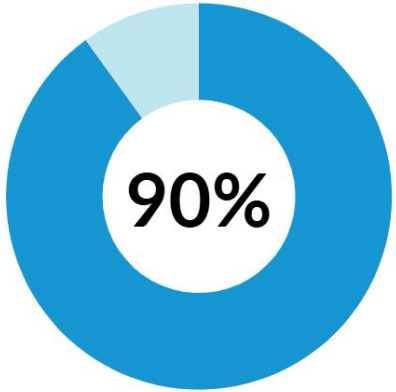
Source: Healthy Schools Campaign, 2025
Note: Reduction of specialized instructional support personnel may include staff layoffs or reduced hours. Prevention and early intervention services includes screenings.

Significant Consequences in Rural Districts

- Almost half (45%) of responses were from rural school districts – where more children are covered by Medicaid
- Schools are critical places for care in rural communities

“Due to the remote area we serve, our students have little to no access to medical services other than those provided in schools. Loss of Medicaid funding would severely hamper our ability to support our students.” —School Superintendent

90% of respondents: Medicaid cuts would force school districts to cut other areas of the budget.



Lower Medicaid reimbursement simply shifts the burden onto local taxpayers

Superintendent, Rural District, Iowa

Source: Healthy Schools Campaign, 2025
Note: This analysis removes skipped or "unknown" responses.

Negative Effects on Academic Outcomes and Attendance

"A reduction in mental health providers will directly impact access of care for all students, reduced achievement, higher drop-out rates, risk of court involvement, and higher risk of suicide and self harm."

— School Psychologist, Michigan

Reduced Preventive Care and Reduced Availability of Care

"We need more Medicaid funding, not less. Preventive care in schools will make all the difference for our community."

— Medicaid Coordinator, Kansas

Staff Burnout and Reduced Quality of Services

"We would not have the capacity to support students with mental and physical health services and purchase supplies needed to aid in education."

— School Business Official, Pennsylvania

Family Financial and Emotional Strain

"Parents would be left scrambling to have their child receive related services. Undue hardship would be placed on school districts."

—School Business Official, Texas

Panel Discussion: How Medicaid Cuts Affect Students and Schools

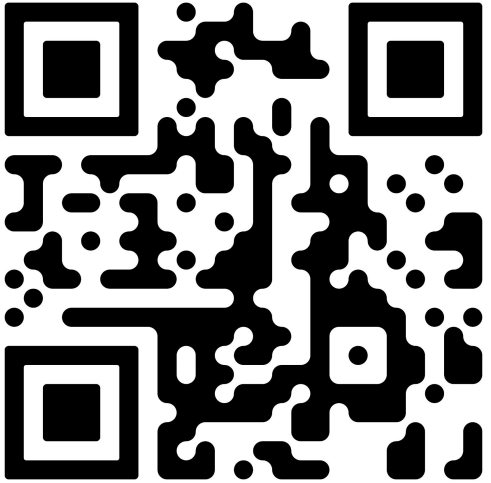
- **Shawna Dippman**, Supervisor & Planner/Coordinator, Monroe County Intermediate School District and President, National Alliance for Medicaid in Education (NAME)
- **Heidi Sipes**, Superintendent, Umatilla School District, Oregon
- **Joe Kwisz**, President-Elect, Council of Administrators of Special Education (CASE) and Special Education Administrator, Indiana
- **Heidi Kerns**, Chief Financial Officer, Asheville City Schools

Getting Involved to Protect Medicaid and Schools

Sasha Pudelski
Director, Advocacy, AASA, The School Superintendents Association

Take Action: Tell Congress to Reject Medicaid Cuts

- Send a message to your member of Congress for members of Congress to protect Medicaid and its vital role in schools
- Sponsored by National Association of School Psychologists (modify to reflect you role)



Resources to Protect School Medicaid

- School Medicaid Resources – HSC
- School Medicaid Information Toolkit – AASA
- How Medicaid Supports Student Success – Georgetown Center for Children and Families and Healthy Schools Campaign
- HSC Documents Medicaid Funding Boost for School Health Services – Healthy Schools Campaign
- Medicaid's Role in Small Towns and Rural Areas – Georgetown Center for Children and Families
- Financial Impact of Expanding School Medicaid Services – Healthy Schools Campaign

Thank you

To our survey partners and to all of the survey respondents who generously shared their time, insights and expertise with us.

Contact

For questions or information about this webinar, please contact:

Jessie Mandle
Jessie@healthyschoolscampaign.org

Alison Paxson

Alison@healthyschoolscampaign.org

www.healthyschoolscampaign.org

Blue Sky: @healthyschoolscampaign.org | **Facebook, Instagram:** @healthyschools | **LinkedIn:** @healthy-schools-campaign