

# “Free Care” Medicaid School Based Services

National Alliance for Medicaid in Education  
[www.medicaidforeducation.org](http://www.medicaidforeducation.org)

## Federal Policy Guidance Released on Free Care

In a December 15, 2014 letter to State Medicaid Directors, the Centers for Medicare and Medicaid Services (CMS) issued guidance regarding “free care”. This topic appears in a number of previous CMS guidance documents, including: “1997 Medicaid and School Health: A Technical Assistance Guide,” and “2003 Medicaid School-Based Administrative Claiming Guide.” The 12/15/14 letter provides clarification on “free care” in light of 2004 Departmental Appeals Board (DAB) Decision Number 1924.

To view this CMS letter, go to <http://www.medicaid.gov/federal-policy-guidance/downloads/smd-medicaid-payment-for-services-provided-without-charge-free-care.pdf>

## Revised Provision states:

Schools may be given the ability to access Medicaid for medically eligible services provided to any Medicaid eligible student as long as all other Medicaid requirements are met.

## Making the Case:

- Why is this a good thing?
- How can this opportunity help education and health both meet their goals?
- What are the financial wins?
- Why is it good for kids?
- Many services currently provided at 100% local/state cost.

## Leadership and Collective Impact:

- Political Leadership
- State Administrative Leadership
- Local School Leadership
- Front Line Leadership
- Parent & Advocate Leadership

## Implementation Strategies

### Determining How Services Will be Delivered

- Does the current Medicaid State Plan allow for schools to bill for non-IEP services?
- What services are currently being provided and who is paying for them?
- Does the school want to deliver health services or do they want to contract?
- Proposed reimbursement model?
- Will “free care” services be a Medicaid “carve-out” or will schools have to contract with Managed Care Organizations?
- Who are the current school-based health providers?
- What will be the process for quality assurance.

### Potential Medicaid Billable Services

- Vision, Dental, Mental Health Screenings
- Chronic Disease Management
- Immunizations
- Acute Care Services
- Therapies and Mental Health Services
- Other

### Nine Medicaid Rules

1. Student is on Medicaid
2. Medicaid eligible service
3. Medicaid eligible provider
4. Existence of approved rate
5. Third Party Liability (TPL) met
6. Auditable documentation
7. Medicaid does not duplicate other payments
8. State conducts appropriate oversight
9. All other program requirements are met

## Need Help Navigating Free Care?

John Hill, NAME Executive Director,  
[john.hill@medicaidforeducation.org](mailto:john.hill@medicaidforeducation.org)

Amy Edwards, NAME Governmental Affairs and Public Relations Committee Chair  
[Amy.edwards@doe.virginia.gov](mailto:Amy.edwards@doe.virginia.gov)

## Workforce Training on :

- What is “free care?”
- Referrals/orders for services.
- Practitioner requirements.
- Service delivery requirements.
- Care coordination.
- Documentation requirements.
- Phasing in services.

## Building Momentum and Support:

- Need for models, toolkits and technical assistance.
- Stories from parents, students, teachers and other school stakeholders highlighting benefits.
- Understanding how receptive your state may or may not be.
- Identify a handful of states that can serve as first adopters.
- Develop principles outlined into a framework for guiding efforts.
- Create a list of questions that a school district or stakeholder group should ask before moving forward.

## Potential Challenges:

- State Matching Funds
- Covered Services
- Reimbursement Rates
- Managed Care
- Guidance

## Understanding Data Systems Issues:

- Navigating HIPAA & FERPA.
- What “Memorandums of Understanding” will need to be in place?
- Strategies for “Parental Consent”.
- Coordination of services in and out of school.

**N A M E**

National Alliance for Medicaid in Education, Inc.