

Medicaid Policy and School Mental Health Funding

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Southeast Mental Health Technology Transfer Center (MHTTC)
Rollins School of Public Health, Emory University
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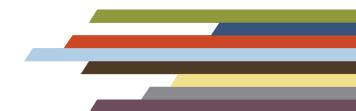


Disclosure/Disclaimer

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About the Southeast Mental Health Technology Transfer Center (MHTTC)

The Southeast MHTTC is located at the Rollins School of Public Health, Emory University.

Serve states in HHS Region IV: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

Our Mission: To promote the implementation and sustainability of evidence-based mental health services in the Southeastern United States.

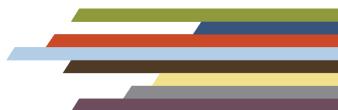
Our Vision: Widespread access to evidence-based mental health services for those in need.











Presenter



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Assistant Professor

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Rollins School of Public Health, Emory University

Agenda

Learning Objectives Medicaid
Billing
Requirements

Medicaid Reform Pathways Examples of Relevant Medicaid Reforms

Conclusion + Q & A

Learning Objectives

- Specify when Medicaid can be billed for school mental health services (including services that today are provided but not billed).
- Describe and distinguish the two main pathways for reforming state Medicaid programs in support of school mental health.

Reference examples of other states that have pursued Medicaid reforms to advance school mental health systems.





POLL QUESTION #1



(POLL) QUESTION #2:

What types of services are you currently providing that are NOT being billed to Medicaid?







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Medicaid and School Mental Health Services: FAQs

In this report, we discuss how schools can finance school mental health services through Medicaid by answering some frequently asked questions.

More resources and details on Medicaid financing for school mental health services can be found in this FAQs report.

Overview | Four Requirements for seeking Medicaid reimbursement for school mental health services

Service

Medicaid covers the service

Provider

The provider is a Medicaid-certified provider

Recipient

The student-client is enrolled in Medicaid

Setting

School is a Medicaidaccepted setting



^{*}For each requirement, key terms vary by state.

Medicaid can pay for direct services and associated expenses of some administrative services

Direct Services

- Mandatory Services
 - E.g., EPSDT
- Optional Services
 - E.g., Telehealth

Administrative Services

- Administrative supports for direct services
- Outreach and enrollment services

EPSDT: Early and Periodic Screening, Diagnostic, and Treatment

New Federal Guidance on Medicaid and Administrative Claiming for LEAs

The Centers for Medicare and Medicaid Services (CMS)

Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming

2023

"CMS strived to include every school-based services policy and mechanism to allow States and LEAs the greatest flexibilities as far as implementing and expanding school-based services."



Varies by state: Since not all services are mandatory (to be covered), different states cover different services

Where to look: State Medicaid websites usually have a section listing "covered services" or "Medicaid benefits."

May be a website section intended to inform providers

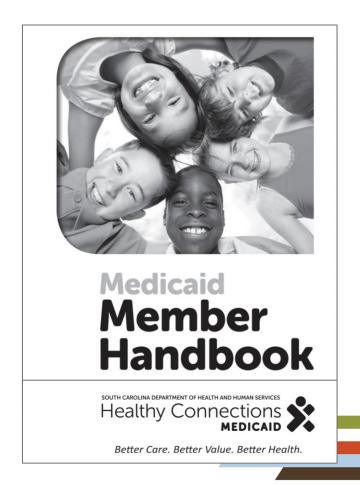
The fine print: Some services may be covered only...

- When billed with certain diagnosis codes listed
- With prior authorization (Medicaid Managed Care)



Where to look -- Examples: Florida and South Carolina





Take note!

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

- Mandatory benefit for all Medicaid enrollees under age 21
- Covers many screenings, diagnostic services, and associated treatments



See Southeast MHTTC resource "The Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Medicaid Benefit" for more information.

Take note!

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

- EPSDT-covered screening services include screenings for mental health and substance use problems
 - Examples: autism screening, depression screening, tobacco, alcohol and drug use assessment
- Medicaid covers <u>ALL</u> diagnostic services and treatments that are needed to treat the conditions identified through an EPSDT screening.
 - Includes treatment services not otherwise covered by Medicaid

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^{*}For each requirement, key terms vary by state.

Medicaid Eligibility

Medicaid is an <u>entitlement program</u>: Whoever meets the <u>eligibility criteria</u> has the right to enroll

- Categorical eligibility: An individual must be in a eligibility group
 - Mandatory categories (required by federal regulations)
 - Optional categories (state decides whether to cover)
- Income limit: The individual's household income must be below a specified income limit that is associated with the eligibility category
 - Federal regulations establish minimum household income limits for each eligibility category.
 - States may choose to set higher income limits.

Varies by state: Since not all eligibility categories are mandatory and income limits are minimums, different states cover different populations at different income levels

Example of optional eligibility category: "Katie Beckett" waiver

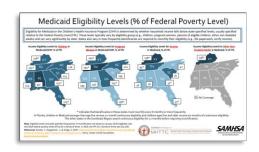
Where to look: State Medicaid websites usually have a section with terms of eligibility and links to apply for coverage

The fine print: Some individuals may be covered only...

- With eligibility re-certification every 12 months (or more often)
- Under the Children's Health Insurance Program (CHIP) higher income eligibility thresholds than Medicaid

Varies by State -- Example: Income Eligibility Levels for Children in Medicaid / CHIP, % of FPL

State	Income Limit (%FPL)	State	Income Limit (%FPL)
Alabama	317	Mississippi	214
Florida	215	North Carolina	216
Georgia	252	South Carolina	213
Kentucky	218	Tennessee	255

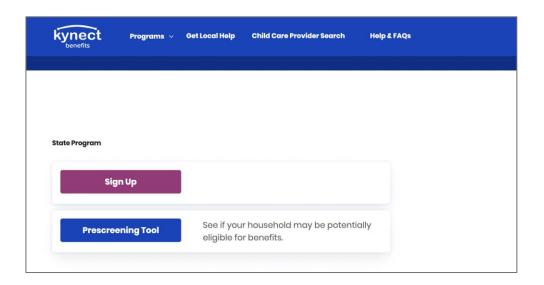


Source / Resource: Medicaid Eligibility and Enrollment: Southeast Region

This infographic outlines the household income limits associated with different Medicaid eligibility groups in the Southeast region.

Where to look -- Examples: Georgia and Kentucky

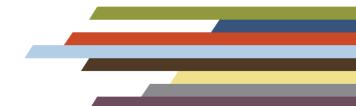




Take note!

COVID-era Rule Change

- COVID-19 Public Health Emergency: States could not disenroll Medicaid Beneficiaries, even if they no longer qualified
 - Eligibility recertification processes halted
- End of PHE: As of April 2023, states could resume disenrolling individuals who were no longer eligible



Overview | Four Requirements for seeking Medicaid reimbursement for school mental health services

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Provider

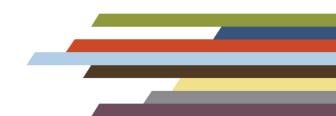
The provider is a Medicaid-certified provider

Recipient

The student-client is enrolled in Medicaid

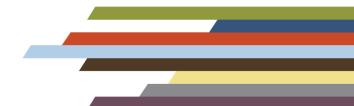
Setting

School is a Medicaidaccepted setting



^{*}For each requirement, key terms vary by state.

- Providers are required to be Medicaid-certified to receive Medicaid reimbursement.
 - Must meet the state's licensure/certification requirements
 - Must complete application
- If planning to seek Medicaid reimbursement, local education authorities should check if providers are Medicaid-certified

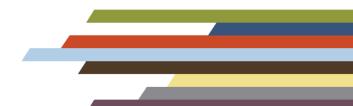


Varies by state: In different states, different types of providers may be eligible to become Medicaid-certified

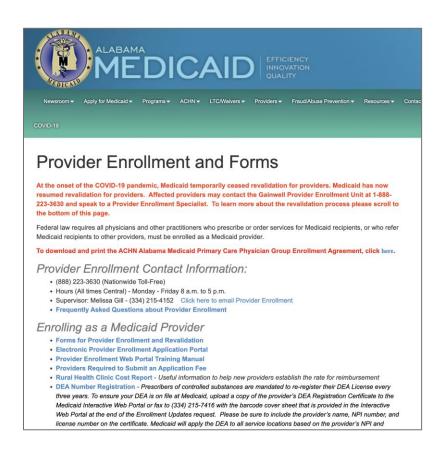
Where to look: State Medicaid websites usually have a section describing terms of certification and providing a link for providers to seek certification

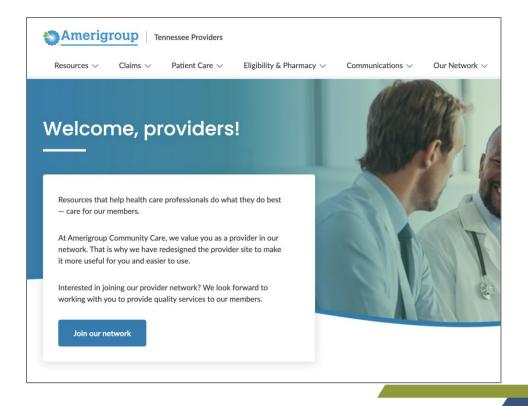
Providers should know if they are Medicaid-certified

The fine print: Some providers may only be in-network with some Medicaid Managed Care plans and not others



Where to look -- Examples: Alabama and Tennessee





Take note!

Who Employs the Provider Matters

Rules for Medicaid certification may differ for providers who are:

LEA-employed (or contracted) VS Community-based

 In some states, regulations may prohibit LEA-employed (or contracted) mental health providers from becoming Medicaidcertified.



POLL QUESTION #3

Overview | Four Requirements for seeking Medicaid reimbursement for school mental health services

Service

Medicaid covers the service

Provider

The provider is a Medicaid-certified provider

Recipient

The student-client is enrolled in Medicaid

Setting

School is a Medicaidaccepted setting

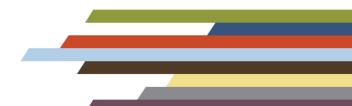
^{*}For each requirement, key terms vary by state.



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Requirement 4 | School is a Medicaid-accepted setting

- As of December 2014, billing Medicaid for services in school settings is now permissible for students without an individualized education program (IEP).
 - Per new guidance from Centers for Medicare and Medicaid Services concerning the "Free Care Rule"
- Regardless of the Free Care Rule guidance, Medicaid will cover school-based behavioral and medical services as specified in a student's IEP.



Requirement 4 | School is a Medicaid-accepted setting

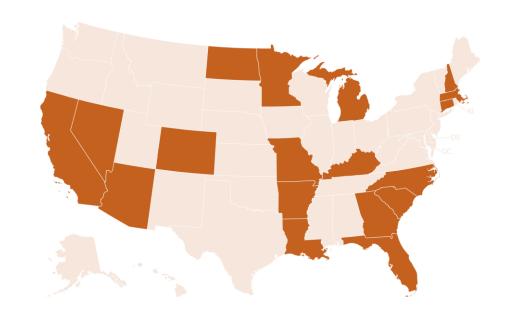
Varies by state: Many (but not all) states are now leveraging the updated federal guidance on the "Free Care Rule"

Where to look: Healthy Schools Campaign resource tracking state actions concerning free care rule implementation for each state

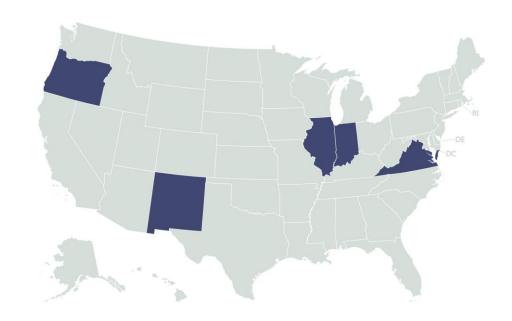
The fine print: Different states may need to take different legislative or regulatory actions to implement the Free Care Rule's updated guidance.



Healthy Schools Campaign Resource

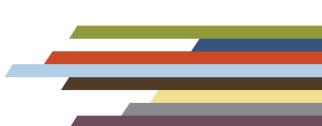


Expanded Medicaid Coverage* in Schools



In Process of Expanding Medicaid Coverage* in Schools

^{*} Not necessarily for mental health services
Source: "State Data on Medicaid-Eligible School Health Services & Providers." Healthy
Students Promising Futures, a Healthy Schools Campaign Initiative:
https://healthystudentspromisingfutures.org/map-school-medicaid-programs/



Requirement 4 | School is a Medicaid-accepted setting

Take note!

Does the student-client have an IEP?

- This requirement (#4) applies differently for Medicaid-enrolled youth with an IEP, versus youth without an IEP.
 - School-based services in the IEP will <u>always</u> be covered.
- Still, the service may not be billable if provided by an LEAemployed (or contracted) provider.
 - > The other 3 requirements must still be met!

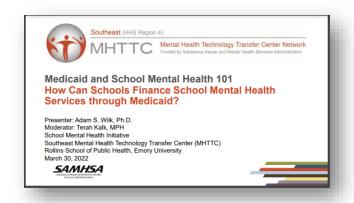


Additional resource about Medicaid and School Mental Health Financing

- Overview of Medicaid
- Introduction to how Medicaid finances school mental health services

Resource | Medicaid and School Mental Health 101: How Can Schools Finance School Mental Health Services through Medicaid? (Webinar)

This webinar provides an overview of Medicaid and an introduction to how Medicaid finances school mental health services.

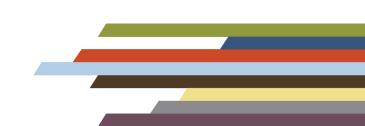




Types of Medicaid Reforms

With examples!







(POLL) QUESTION #4

Are you aware of any changes that have been made—or that may be underway—in your state related to these four requirements?

Key Resource: Medicaid and School Mental Health Services: FAQs

Section discusses:

- Legislation
- Regulatory Changes
- State Plan Amendments
- Medicaid Waivers
- State Examples: implementing new federal guidance under the "Free Care Rule"



As we've noted throughout this report, every state's Medicaid program has their own requirements for reimbursing school mental health services. State and local leaders in school mental health may consider working with state Medicaid leadership to modify these requirements to improve Medicaid financing for school mental health services. Such modifications could include expanding terms of coverage, changing reimbursement processes, and adjusting fee schedules (i.e., what the state will pay for each service).

In general, state policymakers can reform their Medicaid program by: (1) passing legislation and making regulatory changes within the state, or (2) obtaining approval from the federal government for State Plan Amendments or Medicaid waivers. In some cases, a combination of these strategies may be needed to implement a given reform.

WITHIN-STATE REFORMS: LEGISLATION AND REGULATORY CHANGES
States specify their Medicaid program's covered services and eligible populations in legal statutes,



How can Medicaid be reformed to better support financing of school mental health programs?

In general, state legislators and Medicaid agency leaders can reform their Medicaid program by:

- Passing <u>legislation</u> and making regulatory changes within the state
- Obtaining approval from the federal government for a:
 - State Plan Amendment
 - Medicaid waiver
- In some cases, a combination of these strategies may be needed to implement a given reform.



STATE CONSTITUTION

The state constitution is the highest legal authority in a state.



STATE STATUTES

State statutes are laws and codes enacted by the state legislature. They cannot violate the State Constitution.



STATE REGULATIONS

State regulations are rules written by state agencies to supplement state statutes.

They cannot violate the State Constitution or state statutes.

Hierarchy of legal authority

- States specify their Medicaid program's covered services and eligible populations in statutes (laws)
- Statutes also grant state
 Medicaid offices authority to
 create admin. regulations
 and rules

Source: Southeast MHTTC. Medicaid and School Mental Health Services FAQs. Aug. 2022.

Reforming Medicaid better support financing of school mental health: legislation

By passing **legislation**, states can:

- Remove restrictions on possible reforms
- Grant Medicaid office authority to implement reforms

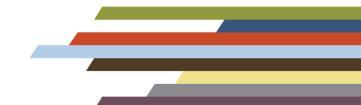


Reforming Medicaid better support financing of school mental health: legislation



Example: California (2015) – removed restrictions prohibiting LEAs from billing Medicaid for targeted case management for children without an IEP

Source: California State Senate. SB-276 Medi-Cal: Local Educational Agencies. 2015.



Reforming Medicaid better support financing of school mental health: State Plan amendments (SPAs)

State Plan -- a state-federal agreement about how the state administers Medicaid; can be amended with federal approval

By receiving approval for a SPA, states can change:

- Rules for determining Medicaid eligibility
- Which services are covered
- > Reimbursement rules (e.g., setting of services)



Reforming Medicaid better support financing of school mental health: State Plan amendments (SPAs)



Example: Massachusetts (2017) – allowed schools to bill Medicaid for services that previously could not be billed when provided in a school setting (e.g., physician services, respiratory services)

Source: Medicaid.gov. Medicaid State Plan Amendments.

https://www.medicaid.gov/medicaid/medicaid-state-plan-amendments/index.html



Reforming Medicaid better support financing of school mental health: Medicaid waivers

State policymakers may also seek a <u>Medicaid waiver</u>: a written approval from the Centers for Medicare and Medicaid Services (CMS) to deviate from federal Medicaid requirements and explore innovative program designs

Different requirements than for state plan amendments (e.g., cost neutrality)



Reforming Medicaid better support financing of school mental health: Free Care Rule examples

To implement the Free Care Rule, states may need to implement a <u>single Medicaid reform</u>, <u>multiple</u> reforms, or <u>none</u>.



Example: Florida (2016-2020) – SPA (2017) removed reimbursement restrictions on school-based services for students without an IEP; legislation (2018, took effect in 2020) removed similar statutory restrictions



Reforming Medicaid better support financing of school mental health: Free Care Rule examples

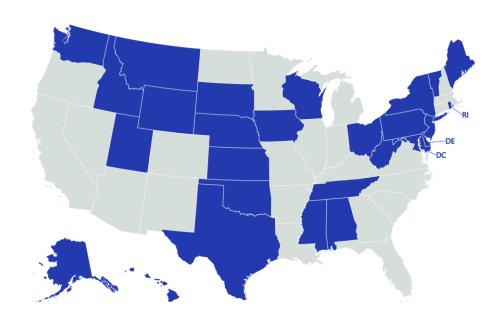
To implement the Free Care Rule, states may need to implement a <u>single Medicaid reform</u>, <u>multiple</u> reforms, or <u>none</u>.



Example: South Carolina – State Plan and statutes contained no relevant restrictions; LEAs implemented new Free Care Rule-aligned billing practices without SPA or legislation



Healthy Schools Campaign Resource



States not yet taking action to expanded Medicaid coverage* in schools

State-by-state info on:

- 1. Covered services
- 2. Child eligibility
- 3. Billing providers
- 4. Nursing services
- 5. Behavioral health services

^{*} Not necessarily for mental health services
Source: "State Data on Medicaid-Eligible School Health Services & Providers." Healthy
Students Promising Futures, a Healthy Schools Campaign Initiative:
https://healthystudentspromisingfutures.org/map-school-medicaid-programs/





THE SOUTHEAST MENTAL HEALTH TECHNOLOGY TRANSFER CENTER

The Southeast Mental Health Technology Transfer Center (MHTTC) is funded by the Substance Abuse and Mental Health Services Administration. The mission of our center is to disseminate evidence-based mental health programs and practices to the eight states in Health and Human Services Region IV (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee) through the provision of trainings and technical assistance as well as the development of resources. Our center is housed in the Department of Health Policy and Management at the Emory University Rollins School of Public Health.

The Southeast MHTTC School Mental Health Initiative is led by Dr. Janet Cummings, a mental health services researcher and national expert on mental health care access and quality among children and adolescents. Our team includes faculty and staff with expertise in public health, mental health systems, health economics, policy, finance, equity, and implementation science. As the regional MHTTC center that specializes in school mental health policy, finance, and workforce, many of the trainings and resources that we have developed address topics related to funding and sustainability of comprehensive school mental health systems.





School Mental Health Resource Catalogue

You can find the links to all Southeast MHTTC's resources (including the resources we introduce in today's webinar) in this resource catalogue.

Resource: State Plan Amendments & Medicaid Waivers



Leveraging State Plan Amendment (SPA) and Medicaid Waivers to Expand School Mental Health Services in Medicaid

This short report introduces SPAs and Medicaid waivers and gives examples of how states have leveraged SPAs and Medicaid waivers to expand coverage of SMH services in their Medicaid programs.

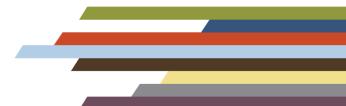
Other Relevant Resources

- Webinar: Medicaid and School Mental Health 101: How Can Schools Finance School Mental Health Services through Medicaid?
- Webinar: Financing School-Based Mental Health Services in Medicaid Managed Care
- Infographic: Financing School-Based Services through Medicaid: Reimbursement for Administrative Expenses



Medicaid and School Mental Health A Guided Tour Through Available Resources

This webinar oriented attendees to nearly 20 resources that help to explain the role of Medicaid in school mental health financing and how to use it to pay for mental health services in schools.





Q&A





