

Coalition for Healthy Students - New York State



July 2022 Update

Re: Need for School-based Medicaid Expansion

Long-standing racial health inequities and the impact of COVID-19 have amplified the need for New York to utilize every available resource to ensure that all students have access to medical, dental, vision, and behavioral health services for their health and success.

New York State has a great opportunity to expand health services for children in public schools by leveraging additional federal Medicaid funds. In December 2014, The Centers for Medicare and Medicaid Services (CMS) issued a [state Medicaid director letter](#) allowing states to expand the population of students who can access Medicaid-reimbursable school-based health services. Moving forward with this policy (also known as the free care reversal policy) in NYS by submitting a Medicaid State Plan Amendment (SPA) would be a tremendous benefit to students across the state at this critical time.

Currently, NYS schools can only bill Medicaid for eligible services provided to students with Individualized Education Plans (IEPs) – approximately 18% of students in NYS schools. With approximately 57% of students designated as “economically disadvantaged” in public schools (1.44 million children), the above policy change would enable an increase in sustainable services to thousands more students.

The Coalition for Healthy Students - New York State (CHS-NYS) has been raising awareness and support for enactment of the 2014 CMS policy change for over two years. With signatures from over 50 NYS legislators on a September 2021 letter calling for improved access to school health services through the submission of a Medicaid State Plan Amendment (SPA) to CMS, there is growing momentum and support for this critical policy change.

The Coalition also facilitated a workgroup in late 2021 with the New York State Department of Health (NYS DOH), New York State Education Department (SED), the Big 5 Conference, including three of the largest school districts in New York State to work toward expanding school-based Medicaid programs under the free care reversal policy. As a result of progress made during the work group, the Medicaid Unit of NYS DOH agreed to recommend to their executive leadership that a Medicaid SPA expanding Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services to all Medicaid-enrolled students in NYS be included in the FY22 executive budget. Though this policy recommendation was not ultimately included, adding it to the FY23 budget is imperative as it would enable critical health and mental health services for students to be supported, expanded and sustained.

In addition, although the department does not require statute to submit a Medicaid SPA, the

Legislature introduced legislation (A09475/S08639) this past session, directing the DOH to pursue a Medicaid SPA to expand school Medicaid. The legislation received broad support, including from the Chairs of the Senate and Assembly Health Committees and leadership.

It is especially critical that New York State enact this policy change now. The federal Coronavirus State and Local Fiscal Recovery Funds (SLFRF) will run out in 1-2 years. Implementing the Medicaid SPA now will avoid the fiscal cliff and enable new Medicaid dollars to continue to support the newly added critical health services in schools.

Since 2014, [seventeen states](#), including California, Massachusetts and Florida, have changed their Medicaid plans to allow school districts to expand the population of students receiving Medicaid-reimbursable school-based care. **New York should join these states as soon as possible** and use these additional Medicaid resources to ensure that all children have access to the school health services they need for academic success. We also encourage them to join the [National Learning Collaborative](#) for helpful resources and support.

Schools play a vital role in addressing the medical and emotional health needs of their students. Implementing this SPA would provide new federal financing for the provision of health and mental health services in schools and complement and build on the healthcare models currently in place. School districts would have the flexibility to utilize this new opportunity, depending on their current services and/or unique needs of their students.

As students begin the 22-23 school year, it is imperative to address ongoing and new health risks exacerbated by the traumas experienced during the COVID-19 pandemic. Every day that passes without the SPA submitted, districts are losing thousands of dollars of funding that could offset costs and sustain critical health and mental health services for students.

While not new, gaps in access to care have been laid bare by the COVID-19 pandemic and growing awareness of systemic racial disparities. Expanding school-based resources so that more students, especially children of color, can receive high quality healthcare represents a step in the right direction in achieving intergenerational equality.

For these and other compelling reasons, the Coalition for Healthy Students - New York State (CHS-NYS) calls on NYS to submit to CMS a Medicaid SPA in this budget year. This would expand the population of students who can benefit from Medicaid-reimbursable health and mental health services provided in schools by leveraging every federal dollar available.

To sign on to a letter to Governor Hochul, please click [here](#).

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