



PSSAM
Public School Superintendents' Association
OF MARYLAND

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BILL: SB 201

TITLE: Maryland Medical Assistance and Children's Health Insurance Programs - School-Based Behavioral Health Services - Reimbursement

DATE: February 7, 2023

POSITION: Support with Amendments

COMMITTEE: Senate Finance Committee

CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four local school superintendents, **supports** Senate Bill 201 **with amendments**.

This bill requires the Maryland Department of Health to apply to the Centers for Medicare and Medicaid Services for a State Plan amendment that authorizes the State to seek reimbursement for medically necessary school-based behavioral health provided to all individuals enrolled in the program, or the Maryland Children's Health Program, without regard to whether the services are provided under an Individualized Education Plan (IEP) or Individualized Family Service Plan. The bill specifies that certain accredited mental health providers working in a school-based setting within their scope of practice may seek the maximum reimbursement for services under federal law.

PSSAM applauds the sponsor's initiative in sponsoring this legislation. For years, the Maryland Department of Health (MDH) has been asked by stakeholders to seek this State amendment without success. We strongly support this legislation and ask the committee to consider two amendments; (1) extend the same request to the Centers for Medicaid and Medicare for somatic health services, which would create a singular process for both treatment needs; and, (2) be less prescriptive in the bill and allow the Department to work with stakeholders before making the final request to the Centers.

Unfortunately, adults and students alike are suffering from symptoms closely associated with the lack of mental and behavioral health treatment. Many of these cases were either spurred by or

worsened due to the effect of the COVID-19 pandemic. In the return to school, teachers and administrators are witnessing higher than ever levels of depression and anxiety. In school, this trauma manifests itself within students by cases of classroom disruption, retreat from academic work, and absenteeism.

All local school systems in Maryland used part of their federal Covid funds to bring additional mental health support to students, including in-person appointments and telehealth when students could not be in school. As the federal money slows to a halt in 2024, we pivot to the question of sustainability of these efforts, especially in regards to how to afford the continued staffing of these support programs. The Blueprint will provide \$125 million to somatic and behavioral health supports, including payments to community providers, but Medicaid is a natural and appropriate option to keep these supportive systems in place.

In fact, sixteen states have already implemented Medicaid reimbursement for these services, with another five in the process of requesting the needed amendment. These sixteen states have expanded their programs to cover student populations beyond those with IEPs, similar to the allowances provided by this bill. Some state legislatures have compelled this practice via legislation, while others have gone through the administrative procedural process with their state health departments. This bill gives the Maryland Department of Health the support they need to seek these Medicaid reimbursements.

The federal government laid the foundation to support these efforts in 2014 through the reversion of the “free care rule.” This allowed schools to seek some health services, including mental health counselors, for all students enrolled in Medicaid, not just those with IEPs.

According to estimates by Georgetown University’s Center for Children and Families, in 2019 about 36% of school-aged children were enrolled in Medicaid and the Children’s Health Insurance Program (CHIP); it is likely that that number is higher today due to the enrollment of more than 50% of all children in the US who were included in Medicaid or CHIP as of January 2022. In Maryland, we have witnessed this increase in the enrollment of our Compensatory Aid student population, which saw an increase of \$390 million for FY ‘24. This increase was a result of direct certification of students using Medicaid data, whereas past protocol was to collect family forms only. .

The federal government’s reception to these efforts appear to be favorable based on a fact sheet provided with President Biden’s 2022 State of the Union address. The document discussed the U.S. Department of Health and Human Services’ (HHS) efforts to “make it easier for school-based mental health professionals to seek reimbursement from Medicaid.” Additionally, in early March of last year, President Biden announced that he had asked the U.S. Education Department to work with HHS in developing guidance that can help schools offer more mental health support. “And this is going to include enabling schools to use Medicaid funds to deliver

those important services.” The Administration’s FY ‘23 budget also included up to \$1 billion for more school-based mental health professionals.

For these reasons, PSSAM **supports** Senate Bill 201 and requests a **favorable with amendments** report.