

**Testimony of the
Baltimore City Board of School Commissioners
In Opposition to
Senate Bill 506 – Maryland Medical Assistance
Program – Use of Reimbursement Funds by Schools**

March 5, 2025

The Baltimore City Board of School Commissioners commends the sponsor for trying to find creative ways to fund services received under the Maryland Medical Assistance Program but this legislation, as currently written, would lead to huge financial losses for the Baltimore City Public School System.

City Schools generates least \$8 million annually, and expect to do more in future, in Medicaid revenues to directly support special education functions. This stream of funding provides resources to directly impact the office of Special Education services. We provide funding for services around academics, audiological, speech and language, occupational therapy, physical therapy, behavioral health services, counseling, transportation, autism, psychological, and social work services for students with disabilities. Losing this funding would significantly impact our initiatives and programs for special education students within Baltimore City Public Schools.

Additionally, a certain proportion of Medicaid Revenue is considered State contribution of IGT Funds and any redirection of these revenues could affect that “State Matching fund” requirement. The current requirements for expending these Medicaid funds is that the expenditures must serve the students from whom the Medicaid revenue is derived (SPED students with IEPs) with these supplemental funds.

At the end of the day, this is a significant change which attempts to reallocate significant revenue that would then need to be found elsewhere to meet our requirements for our students. For the foregoing reasons, the Baltimore City Board of School Commissioners opposes Senate Bill 506 and urges an unfavorable report.

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