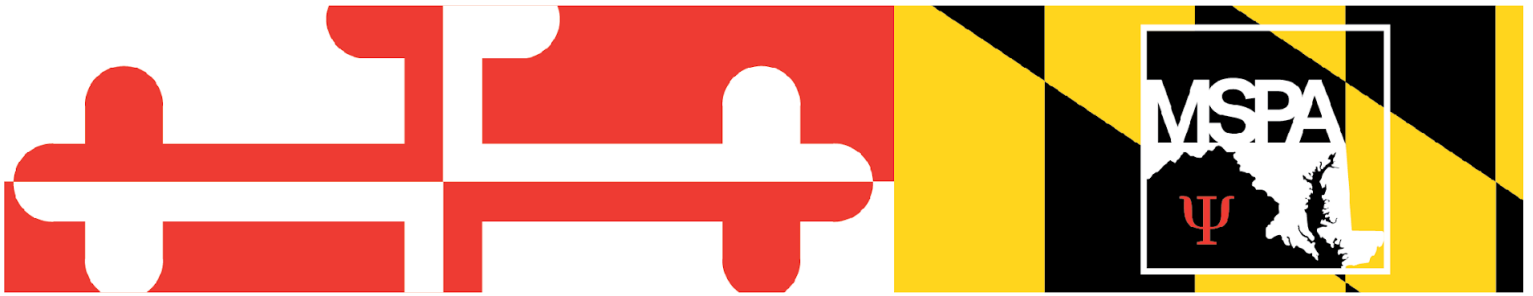


SB 0506 MSPA Letter of Support.pdf

Uploaded by: Bradley Leposa

Position: FAV



Senator Brian J. Feldman, Chair
Senator Cheryl C. Kagan, Vice Chair
Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

March 3rd, 2025

Bill: Senate Bill 0506 - Maryland Medical Assistance Program - Use of Reimbursement Funds by Schools

Position: Support

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

The Maryland School Psychologists' Association (MSPA) - which represents about 500 Maryland school psychologists - strongly supports Senate Bill 0506. The proposed legislation directs funds for which school-based professionals such as school psychologists and speech and language pathologists bill Medicaid towards efforts that reduce shortages in those fields. MSPA appreciates Maryland's delicate fiscal situation, so it applauds ideas for novel funding sources for programs enacted to reduce the staffing shortfalls.

Because of the shortages, students do not receive needed and sometimes legally mandated services delivered by school-based providers. For example, a mental health crisis currently affects Maryland's children, youth, and young adults.¹ To prevent and address such devastating threats to students' well-being and development, the National Center for School Mental Health (NCSMH) recommends a continuum of supports originating in schools and continuing into community-based institutions.² School psychologists' unique training in both education and mental health assessment and intervention enables them to play a vital role connecting school and community-based elements of this continuum. However, the shortage prevents school psychologists from performing school-based prevention and intervention activities envisioned by the NCSMH. As a result, students' mental health challenges remain unaddressed until those problems become severe enough to warrant treatment by community-based providers or even assessment for a legally defined disabling condition. Tremendous damage and suffering therefore occurs before students can access those supports.

Unfortunately, Maryland falls far short of the National Association of School Psychologists' recommendation that schools employ 1 school psychologist for every 500 students. Moreover, Maryland falls behind states like New Hampshire, Massachusetts, New York, New Jersey, and Delaware in the number of school psychologists employed per student as well. New Hampshire employs 1 school psychologist for every 712 students, Massachusetts employs 1 school psychologist for every 662 students, New York employs 1 school psychologist for every 545 students, New Jersey employs 1 school psychologist for every 660 students, and Delaware employs 1 school psychologist for every 815 students. Maryland, in contrast, employs 1 school psychologist for every 1053 students.³

MSPA therefore supports all legislation drafted to address the shortage. If we can provide any additional information or be of any assistance, please do not hesitate to contact us at legislative@mspaonline.org or Sarah Peters at speters@hbstrategies.us or 410-322-2320.

Respectfully submitted,

Bradley Leposa, PHD NCSP
Co-Chair, Legislative Committee
Maryland School Psychologists' Association

¹2024. AAP-AACAP-CHA Declaration of a National Emergency in Child and Adolescent Mental Health. Retrieved from: <https://www.aap.org/en/advocacy/child-and-adolescent-healthy-mental-development/aap-aacap-cha-declaration-of-a-national-emergency-in-child-and-adolescent-mental-health/>

² 2024. National Center for School Mental Health. University of Maryland School of Medicine. Retrieved from:
<https://www.schoolmentalhealth.org/resources/foundations-of-school-mental-health/>

³2024. National Association of School Psychologists State Shortages Dashboard. Retrieved from:
<https://www.nasponline.org/about-school-psychology/state-shortages-data-dashboard>

MARYLAND SCHOOL PSYCHOLOGISTS' ASSOCIATION

MARYLAND SCHOOL PSYCHOLOGISTS' ASSOCIATION

2025 MASHN SB 506 Senate Side.pdf

Uploaded by: Jennifer Navabi

Position: FAV

Maryland Association of School Health Nurses



Committee: Senate Education, Energy, and Environment Committee

Bill Number: Senate Bill 506 – Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools

Hearing Date: March 5, 2025

Position: Support with Amendment

The Maryland Association of School Health Nurses supports *Senate Bill 506– Maryland Medical Assistance Program – Use or Reimbursement Funds by Schools*. The bill’s underlying intention is to ensure schools direct new resources from Medicaid billing for school health services to address the shortage of school health providers. We would ask for some clarifying amendments.

MASHN has been deeply concerned about the shortage of school nurses and other school health professionals. On average statewide, there is only one nurse per 848 students (see attached). States have been struggling to identify additional resources to bolster their school health workforce. In 2023, the Center for Medicare and Medicaid Services opened the door to a potentially game changing opportunity. Under new federal guidance, schools can draw down more federal matching funds for school health services.ⁱ Even before this new guidance, some states had developed innovative pathways for reimbursement for school nursing services.ⁱⁱ

We would request two amendments which we believe align with the intent of the bill:

Amendment 1: Clarifying which practitioners may be reimbursed. Federal law and regulations already delineate who may bill for school health services. The practitioner must be authorized to practice either by a health occupation board or education agency. We recommend aligning the bill’s language to reflect federal guidance:

On page 1 in lines 21-23:

(2) "PROVIDER" MEANS A ~~SCHOOL AUDIOLOGIST, SCHOOL~~
~~PSYCHOLOGIST, SCHOOL SPEECH PATHOLOGIST, AND ANY OTHER HEALTH CARE~~
~~PRACTITIONER WHO PROVIDES SERVICES TO A STUDENT IN A SCHOOL SETTING.~~
PRACTITIONER WHO IS AUTHORIZED TO PRACTICE IN A SCHOOL SETTING UNDER THE HEALTH
OCCUPATIONS ARTICLE OR EDUCATION ARTICLE INCLUDING

- (i) nurses;
- (ii) licensed clinical social workers;
- (iii) professional counselors;
- (iv) marriage and family therapists;
- (v) occupational therapists and occupational therapy assistants;
- (vi) speech language pathologists;
- (vii) physical therapists;
- (viii) school counselors; and
- (ix) school psychologists.

Amendment 2: Clarifying how funding may be spent. As we understand the bill's intention, new resources from Medicaid billing for school health must be directed towards the school health workforce. We would recommend a change in language to recognize that school health professionals are paid through salaries rather than stipend arrangements as well as that educational opportunities are not typically labeled as internships:

On page 2 in lines 8-15

- (1) ADDITIONAL POSITIONS FOR PROVIDERS;*
- (2) ~~PAID INTERNSHIPS FOR STUDENTS SEEKING TO BECOME~~*
~~PROVIDERS;~~ EDUCATION OPPORTUNITIES FOR STUDENTS IN ACCREDITED HEALTH
PROFESSIONAL EDUCATIONAL PROGRAMS TO WORK UNDER A PROVIDER AS PERMITTED
UNDER THE HEALTH OCCUPATIONS ARTICLE OR THE EDUCATION ARTICLE;
- (3) ~~STIPENDS~~ SALARY INITIATIVES FOR PROVIDERS THAT ARE DESIGNED TO ADDRESS*
PROBLEMS IN PROVIDER RECRUITMENT AND RETENTION; AND
- (4) ~~STIPENDS~~ SALARY INITIATIVES FOR PROVIDERS WORKING IN LOW-PERFORMING*
SCHOOLS THAT ARE DESIGNED TO ADDRESS PROBLEMS IN PROVIDER RECRUITMENT
AND RETENTION.

We urge a favorable report on this bill with our proposed clarifying amendments. If we can provide any further information, please contact Robyn Elliott at relliott@policypartners.net or (443) 926-3443.

ⁱ <https://www.cms.gov/newsroom/fact-sheets/delivering-service-school-based-settings-comprehensive-guide-medicaid-services-and-administrative>

ⁱⁱ <https://www.networkforphl.org/resources/medicaid-reimbursement-for-school-nursing-services-2/>

2025 MOTA SB 506 Senate Side.pdf

Uploaded by: Jennifer Navabi

Position: FAV



Maryland Occupational Therapy Association

PO Box 36401, Towson, Maryland 21286 ♦ mota-members.com

Committee: Senate Education, Energy, and the Environment Committee

Bill: Senate Bill 506 – Maryland Medical Assistance Program - Use of Reimbursement Funds by Schools

Hearing Date: March 5, 2025

Position: Support with Amendment

The Maryland Occupational Therapy Association (MOTA) supports *Senate Bill 506 – Maryland Medical Assistance Program - Use of Reimbursement Funds by Schools*. The bill would direct funding from new Medicaid reimbursement opportunities to strengthen school health programs.

MOTA has been working to address the long-standing shortages of occupational therapy practitioners and other health care providers in schools. We participated in the work of the Commission to Study the Health Care Workforce Crisis in Maryland. The Commission concluded that Maryland is far behind other states in addressing health professional shortages.¹

We have a path forward to address the shortage of school health providers. In March 2023, the Centers for Medicare and Medicaid Services released new federal guidance on reimbursement for school health services.² This guidance removes regulatory barriers and offers the opportunity for additional federal resources for school health through Medicaid reimbursement.

We would request two amendments which we believe align with the intent of the bill:

Amendment 1: Clarifying which practitioners may be reimbursed. Federal law and regulations already delineate who may bill for school health services. The practitioner must be authorized to practice either by a health occupation board or education agency. We recommend aligning the bill's language to reflect federal guidance:

¹[https://health.maryland.gov/docs/SB%20440%20Ch.%20708%20\(2022\)%20%E2%80%93%202023%20Final%20Report%20%E2%80%93%20Commission%20to%20Study%20the%20Health%20Workforce%20Crisis%20in%20Maryland.pdf](https://health.maryland.gov/docs/SB%20440%20Ch.%20708%20(2022)%20%E2%80%93%202023%20Final%20Report%20%E2%80%93%20Commission%20to%20Study%20the%20Health%20Workforce%20Crisis%20in%20Maryland.pdf)

²<https://www.cms.gov/newsroom/fact-sheets/delivering-service-school-based-settings-comprehensive-guide-medicaid-services-and-administrative>

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OCCUPATIONS ARTICLE OR EDUCATION ARTICLE INCLUDING

- (i) nurses;
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- (v) occupational therapists and occupational therapy assistants;
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- (ix) school psychologists.

Amendment 2: Clarifying how funding may be spent. As we understand the bill’s intention, new resources from Medicaid billing for school health must be directed towards the school health workforce. We would recommend a change in language to recognize that school health professionals are paid through salaries rather than stipend arrangements as well as that educational opportunities are not typically labeled as internships:

On page 2 in lines 8-15:

- (1) ADDITIONAL POSITIONS FOR PROVIDERS;
- (2) ~~PAID INTERNSHIPS FOR STUDENTS SEEKING TO BECOME~~
~~PROVIDERS;~~ EDUCATION OPPORTUNITIES FOR STUDENTS IN ACCREDITED HEALTH
PROFESSIONAL EDUCATIONAL PROGRAMS TO WORK UNDER A PROVIDER AS PERMITTED UNDER
THE HEALTH OCCUPATIONS ARTICLE OR THE EDUCATION ARTICLE;
- (3) ~~STIPENDS~~ SALARY INITIATIVES FOR PROVIDERS THAT ARE DESIGNED TO ADDRESS
PROBLEMS IN PROVIDER RECRUITMENT AND RETENTION; AND
- (4) ~~STIPENDS~~ SALARY INITIATIVES FOR PROVIDERS WORKING IN LOW-PERFORMING
SCHOOLS THAT ARE DESIGNED TO ADDRESS PROBLEMS IN PROVIDER RECRUITMENT
AND RETENTION.

We urge a favorable report on this bill with our proposed clarifying amendments. If we can provide any further information, please contact Robyn Elliott at relliott@policypartners.net or (443) 926-3443.

eactestimony2025.sb506.pdf

Uploaded by: Leslie Margolis

Position: FAV

Education Advocacy Coalition

for Students with Disabilities

SENATE EDUCATION, ENERGY AND THE ENVIRONMENT COMMITTEE

Senate Bill 506: Maryland Medical Assistance Program—Use of Reimbursement Funds by Schools

Date: March 5, 2025

POSITION: SUPPORT

The Education Advocacy Coalition for Students with Disabilities (EAC), a coalition of nearly 50 organizations and individuals concerned with education policy for students with disabilities in Maryland, is pleased to support Senate Bill 506, which mandates that funds reimbursed to school systems for the provision of services covered by the Maryland Medical Assistance Program or the Maryland Children's Health insurance program be used to increase the number of providers, including through hiring, paid internships, and stipends.

Currently, school systems, the payors of last resort for the special education and related services they provide to students, are permitted to bill Maryland Medical Assistance for services they provide to students that can be considered medical in nature. When school systems recoup funds through this third-party reimbursement process, they are not required to spend the funds within the program that generated the billing. By directing that reimbursed funds be used to hire, recruit and retain providers, Senate Bill 506 recognizes the pressing staff shortages that have caused many students, particularly students with disabilities, to go unserved, be served by providers who lack certification, or be served by contract virtual providers.

Although parents and guardians have the right to refuse to consent to allow Medicaid to be tapped for reimbursement of their child's services and should, in fact, refuse if using Medicaid benefits for school services would otherwise reduce the child's access to services outside of school, many school systems can potentially recoup millions of dollars each year through third party reimbursement. Senate Bill 506 could, therefore, make a significant difference in the ability of a school system to hire and retain providers by requiring reimbursed funds to be used for this purpose.

For these reasons, the EAC supports Senate Bill 506.

For more information or if questions, please contact: Leslie Seid Margolis, Co-Chairperson, at lesliem@disabilityrightsmd.org or 443-692-2505.

Education Advocacy Coalition Testimony: Senate Bill 506

March 5, 2025

Page Two

Respectfully submitted,

Selene Almazan, Selene Almazan Law, LLC

Rene Averitt-Sanzone, The Parents' Place of Maryland

Linda Barton, MSED, Education Consultant

Elizabeth Benevides, Autism Society of Maryland, Education Advocacy Coalition Co-Chairperson

Ellen A. Callegary, Attorney (Retired)

Melanie Carlos, xMinds (Partnership for Extraordinary Minds)

Stephanie Carr, S.L. Carr Education Consultants, LLC

Michelle Davis, M.Ed., ABCs for Life Success

Lisa Frank and Andrea Bennett, Special Kids Company

Marjorie Guldán and Rosemary Kitzinger, Bright Futures, LLC

Beth Ann Hancock, Charting the Course, LLC

Kalman Hettleman, Independent Advocate

Morgan Durand Horvath, M.Ed., Abilities Network

Ande Kolp, The Arc Maryland

Rachel London, Maryland Developmental Disabilities Council

Leslie Seid Margolis, Disability Rights Maryland, Education Advocacy Coalition Co-Chairperson

Monica Martinez, Martinez Advocacy

Beth Nolan, MAT, Education Team Allies

Sumaiya Olatunde, H2D Counseling

Ellen O'Neill, Atlantic Seaboard Dyslexia Education Center

Ronza Othman, National Federation of the Blind of Maryland/Maryland Parents of Blind
Children

Rebecca Rienzi, Pathfinders for Autism

Jaime E. Seaton, BGS Law, LLC

Ronnetta Stanley, M.Ed., Loud Voices Together

Wayne Steedman, Steedman Law Group, LLC

Maureen van Stone, Kendall Eaton, Genevieve Hornik, Project HEAL at Kennedy
Krieger Institute

Liz Zogby, Maryland Down Syndrome Advocacy Coalition

The Maryland Education Coalition also joins this testimony.

SB506sponsorfinaltestimony.pdf

Uploaded by: Linda Hanifin Bonner

Position: FAV



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

SPONSOR TESTIMONY
Senate Bill 506
Maryland Medical Assistance Program –
Use of Reimbursement Funds by Schools.

Chairman Feldman, Vice Chair Kagan and Committee Members

Thank you for the opportunity to introduce Senate Bill SB506 Maryland Medical Assistance Program- Use of Reimbursement Funds by Schools.

For the record, I am Senator Shaneka Henson from the 30th Legislative District of Anne Arundel County, MD.

As you will hear from testimony today, various healthcare providers bill Medicaid for a range of student services. These funds eventually flow back to the school districts for disbursement. We estimate that these funds are many millions across the state, and it is not clear how this money is currently used or if any flows back to the very departments that bill for the services.

This bill would direct reimbursement funds to initiatives aimed at bolstering the school healthcare workforce to provide students the services they are entitled to, including funding additional positions for providers, offering paid internships for students aspiring to enter healthcare professions, and providing stipends to address recruitment and retention challenges among providers.

As we all know, we face a continued shortage of school-based providers. Although school speech pathologists are among providers who bill the most, they continue to be the third largest staff shortage area in all Maryland schools, with only elementary teachers and special educators in greater demand. This shortage impacts the services our students receive.

Streamlining these funds to allowable uses around the providers is critical. So, why now?

Prioritizing wraparound services next to the implementation of Blueprint is critical; other states are prioritizing funds in a similar way; and we anticipate new and unaccounted dollars to flow back to the districts now that school psychologists are beginning to bill. This new and unaccounted for funding will help our students and help Maryland get closer to the nationally recommended ratio of one school psychologist to 500 students, instead of the current ratio in Maryland which is currently one school psychologist for every 1066 students. This ratio puts us behind other states including Massachusetts, New Hampshire, and New Jersey. Directing these funds would help other provider groups in a similar way.

After conversations in the House, we would welcome an amendment to make certain that this bill is not intended to impact the Federally Qualified Health Centers. Secondly, in recognizing the funding concerns in the State, we would be ok with an amendment that would say “no less than a certain percentage of these funds shall flow back for the allowable uses prescribed in the bill.”

This legislation represents a significant opportunity to enhance healthcare access in Maryland schools and improve provider recruitment and retention. For these reasons, we request a favorable report.

NASW Maryland - 2025 SB 506 FWA - Medicaid Reimbur

Uploaded by: Karessa Proctor

Position: FWA

Testimony before the Senate Education, Energy, and the Environment Committee

Senate Bill 506: Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools

****Support with Amendment****

February 25, 2025

Chair Feldman, Vice Chair Kagan, and Members of the Committee:

On behalf of the School Social Work Committee of the National Association of Social Workers, Maryland Chapter (NASW-MD) we would like to express our support for the Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools, SB 506.

This legislation builds on the work of the Commission to Study the Health Care Workforce Crisis. Established by SB 440/HB 625 in 2022, the Commission undertook a two year study to frame recommendations for Maryland’s ongoing efforts to address healthcare professional shortages. The shortages identified by their report extend into the schools, including school social workers as well as other health professionals. States have been struggling to identify additional resources to bolster their school health workforce through recruitment and retention.

This bill’s underlying intention is to ensure schools direct resources from Medicaid billing for school health services to address the shortage. We would request three amendments which we believe align with the intent of the bill:

Amendment 1 - Clarifying which practitioners may be reimbursed - On page 1 in lines 21-23:

~~(2) “PROVIDER” MEANS A SCHOOL AUDIOLOGIST, SCHOOL PSYCHOLOGIST, SCHOOL SPEECH PATHOLOGIST, AND ANY OTHER HEALTH CARE PRACTITIONER WHO PROVIDES SERVICES TO A STUDENT IN A SCHOOL SETTING. PRACTITIONER WHO IS AUTHORIZED TO PRACTICE IN A SCHOOL SETTING UNDER THE HEALTH OCCUPATIONS ARTICLE OR EDUCATION ARTICLE~~
INCLUDING:

- (i) nurses;
- (ii) social workers;
- (iii) professional counselors;
- (iv) marriage and family therapists;
- (v) occupational therapists and occupational therapy assistants;
- (vi) speech language pathologists;
- (vii) physical therapists;

(viii) school counselors; and

(ix) school psychologists.

Amendment 2 - Clarifying the reimbursement funds covered by this bill. Schools are eligible to bill for a wide range of Medicaid services beyond those provided by health care providers, especially for students with disabilities. As we understand the bill's intention, it is the funds generated by health care providers that must be directed to supporting the shortages in those professions - On page 2 in lines 1-5:

(3) "REIMBURSEMENT FUNDS" MEANS FUNDS RECEIVED BY AN ELEMENTARY OR SECONDARY SCHOOL, OR A COUNTY SCHOOL SYSTEM, FOR SERVICES RENDERED IN A SCHOOL SETTING BY A PROVIDER AS DEFINED IN (2) ABOVE TO AN INDIVIDUAL ENROLLED IN THE MARYLAND MEDICAL ASSISTANCE PROGRAM OR THE MARYLAND CHILDREN'S HEALTH INSURANCE PROGRAM.

Amendment 3 - Clarifying how funding may be spent. As we understand the bill's intention, new resources from Medicaid billing for school health must be directed toward the school health workforce. We would recommend a change in language to differentially target recruitment and retention and to encourage top professionals to work with the neediest students. On page 2 in lines 8-15:

(1) ADDITIONAL POSITIONS FOR PROVIDERS;

(2) PAID INTERNSHIPS FOR STUDENTS SEEKING TO BECOME PROVIDERS AND STIPENDS FOR THOSE PROVIDERS DIRECTLY SUPERVISING SUCH INTERNS;

(3) STIPENDS FOR PROVIDERS THAT ARE DESIGNED TO ADDRESS PROBLEMS IN PROVIDER RECRUITMENT AND RETENTION; AND

(4) ~~STIPENDS~~ SALARY INITIATIVES FOR PROVIDERS WORKING IN LOW-PERFORMING SCHOOLS THAT ARE DESIGNED TO ADDRESS PROBLEMS IN PROVIDER RECRUITMENT AND RETENTION.

SB 506 provides a funding mechanism to bolster the healthcare workforce in schools so that the needs of our most vulnerable and at-risk students can be best addressed. We ask you to consider our proffered amendments and return a favorable report.

Respectfully,

Gail L. Martin, MSW

Legislative Committee Liaison, Social Work in Schools Committee

NASW-MD

2025 MOTA SB 506 Senate Side.pdf

Uploaded by: Michael Paddy

Position: FWA



Maryland Occupational Therapy Association

PO Box 36401, Towson, Maryland 21286 ♦ mota-members.com

Committee: Senate Education, Energy, and the Environment Committee

Bill: Senate Bill 506 – Maryland Medical Assistance Program - Use of Reimbursement Funds by Schools

Hearing Date: March 5, 2025

Position: Support with Amendment

The Maryland Occupational Therapy Association (MOTA) supports *Senate Bill 506 – Maryland Medical Assistance Program - Use of Reimbursement Funds by Schools*. The bill would direct funding from new Medicaid reimbursement opportunities to strengthen school health programs.

MOTA has been working to address the long-standing shortages of occupational therapy practitioners and other health care providers in schools. We participated in the work of the Commission to Study the Health Care Workforce Crisis in Maryland. The Commission concluded that Maryland is far behind other states in addressing health professional shortages.¹

We have a path forward to address the shortage of school health providers. In March 2023, the Centers for Medicare and Medicaid Services released new federal guidance on reimbursement for school health services.² This guidance removes regulatory barriers and offers the opportunity for additional federal resources for school health through Medicaid reimbursement.

We would request two amendments which we believe align with the intent of the bill:

Amendment 1: Clarifying which practitioners may be reimbursed. Federal law and regulations already delineate who may bill for school health services. The practitioner must be authorized to practice either by a health occupation board or education agency. We recommend aligning the bill's language to reflect federal guidance:

¹[https://health.maryland.gov/docs/SB%20440%20Ch.%20708%20\(2022\)%20%E2%80%93%202023%20Final%20Report%20%E2%80%93%20Commission%20to%20Study%20the%20Health%20Workforce%20Crisis.pdf](https://health.maryland.gov/docs/SB%20440%20Ch.%20708%20(2022)%20%E2%80%93%202023%20Final%20Report%20%E2%80%93%20Commission%20to%20Study%20the%20Health%20Workforce%20Crisis.pdf)

²<https://www.cms.gov/newsroom/fact-sheets/delivering-service-school-based-settings-comprehensive-guide-medicaid-services-and-administrative>

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We urge a favorable report on this bill with our proposed clarifying amendments. If we can provide any further information, please contact Robyn Elliott at relliott@policypartners.net or (443) 926-3443.

SB 506 - Maryland Medical Assistance Program - Use

Uploaded by: Brian Dulay

Position: UNF

BILL: Senate Bill 506
TITLE: Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools
HEARING DATE: March 5, 2025
POSITION: UNFAVORABLE
COMMITTEE: Education, Energy, and the Environment\Finance
CONTACT: Brian Dulay, Government Relations Director, (bdulay@mabe.org)

The Maryland Association of Boards of Education (MABE), representing all the state's local boards of education, opposes Senate Bill 506, Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools.

MABE believes the principle of local governance by boards of education is fundamental to a sound system of public education. This bill imposes a local government mandate. This legislation would require elementary schools, secondary schools, and county school systems to use certain funds received for services provided under the Maryland Medical Assistance Program or the Maryland Children's Health Insurance Program to provide additional positions for providers, paid internships for students seeking to become providers, stipends designed to address problems and for providers working in low-performing schools.

The needs of local school districts vary greatly from one school system to another and the local governance authority of boards of education in Maryland is continuously challenged by state initiatives. That authority is also challenged by legislation that dictates how county school systems must use reimbursement funds in accordance with new state implementation regulations.

For these reasons, **MABE respectfully requests an unfavorable report on Senate Bill 506.**

SB506 - Maryland Medical Assistance Program- Use o

Uploaded by: Dawana Sterrette

Position: UNF

**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.

Dawana Merritt Sterrette, Esq.
Executive Director, Legislative and Government Affairs
dsterrette@bcps.k12.md.us
443-250-0190

SB 506 - Maryland Medical Assistance Program – Use

Uploaded by: Mary Pat Fannon

Position: UNF



Mary Pat Fannon, Executive Director
1217 S. Potomac Street
Baltimore, MD 21224
410-935-7281
marypat.fannon@pssam.org

BILL: SB 506

TITLE: Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools

DATE: March 5, 2025

POSITION: Unfavorable

COMMITTEE: Senate Education, Energy, and the Environment Committee

CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four Maryland local school superintendents, **opposes** Senate Bill 506.

This bill requires an elementary or secondary school, or a local school system, to use “reimbursement funds” (funds received for services provided in a school setting to an individual enrolled in Medicaid or the Maryland Children’s Health Insurance Program (MCHP)) to provide (1) additional positions for “providers” (school audiologists, psychologists, speech pathologists, and any other health care practitioner who provides services to a student in a school setting); (2) paid internships for students seeking to become providers; and (3) stipends for providers, including providers working in low-performing schools, that are designed to address problems in provider recruitment and retention.

PSSAM opposes SB 506’s restrictions on the uses of Medicaid reimbursement funding. Previously, Medicaid school-based reimbursements were limited due to federal regulations, however, that is changing. Under the previous Administration, the federal government was in the process of making bold and expansive changes to allow school districts to use Medicaid funding in K12 educational settings.

We are aware of the concerns expressed by community health providers that this expanded Medicaid billing will infringe on their business model and treatment arena. We strongly urge the Committee to recognize that the mental health needs of our students goes well beyond what can be provided by school systems and community health providers combined - there is unfortunately an enormous amount of need with limited providers to help young people cope in this post-pandemic world. Therefore, it would be negligent to leave any federal funding on the table by limiting reimbursements, or limiting the use of reimbursement to the activities outlined in this bill.

To further clarify this point, according to Montgomery County Public Schools (MCPS), this proposed legislation would have a significant negative impact on their special education budget. ***MCPS currently generates ~\$5.2 million in Medicaid revenue, but under this bill, would only be able to use approximately \$2.2 million for services that are currently paid for out of these revenues.*** As drafted, this legislation would not allow funding for many of the existing critical positions such as staff that directly support special education students, contractual speech pathologists and private duty nurses to provide direct services where there are staffing vacancies, payment for speech pathologists fees for recertification, and funding for university partnerships to create a pipeline for new speech pathologists to be employed by MCPS. Most of these positions cannot be cut due to a lack of funding, but would have to be paid through some other existing or newly requested budget source. These are people and activities that provide direct services to students, and ensure compliance with federal and state special education statutes and regulations.

The bill also creates arbitrary disparities between the "providers" as defined in the bill and certified special education teachers, who bill Medicaid for direct services to special education students. These teachers would be ineligible for the stipend and other incentives set forth in the bill, despite the fact that special education teacher positions are a critical shortage area just as speech pathologists, psychologists, occupational and physical therapy positions. Thus, the unintended consequence of the bill would be to single out a specific group of employees when special education teachers have the same authority and ability to bill Medicaid as the "providers" defined in the bill.

Lastly, the bill limits local educational agencies (LEA) by requiring funds to be spent in a specific way that may not meet the individual needs of each LEA. While some LEAs might have a need for speech pathologists and psychologists, others might need special educators that do not meet the definition of "provider" in the bill. Each LEA should be able to use its Medicaid revenue in a manner that meets the needs of their district.

For these reasons, PSSAM **opposes** Senate Bill 506 and requests an **unfavorable** report.

SB506.pdf written testimony.pdf

Uploaded by: Millard House

Position: UNF



OFFICE OF THE SUPERINTENDENT

Millard House II, Superintendent | superintendent@pgcps.org
14201 School Lane | Upper Marlboro, MD 20772 | 301-952-6008 | www.pgcps.org/superintendent

DATE: March 3, 2025

BILL: SB 506

TITLE: Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools

COMMITTEE: Education, Energy, and the Environment Committee

POSITION: **OPPOSE**

Prince George's County Public Schools (PGCPS) **opposes** Senate Bill 506, which requires each county school system to use certain funds received for services provided under the Maryland Medical Assistance Program or the Maryland Children's Health Insurance Program to provide certain positions, internships, and stipends.

Senate Bill 506 would restrict the school systems' flexibility to allocate the Medicaid revenues to PGCPS priority of services for students with disabilities. This bill would require the costs of special education services to be redirected from Medicaid revenues to PGCPS' annual operating budget, possibly creating a deficit in PGCPS' annual operating budget.

Currently, Medicaid revenues fund \$0.3 million in Compliance Services, \$0.5 million in Early Childhood Support, \$3.0 million in K-12 Support, \$2.1 million in Medicaid Office Support, \$0.85 million in Private Duty Nurse Contracts, \$3.9 million in Professional Development for Schools, and \$1.1 million in Related Services and other school supports. The passage of this bill would require PGCPS to reallocate the above expenditures to the annual operating budget, which could result in the reduction of available support, services, and resources to students with disabilities.

Moreover, mandating how local school systems should use the revenues they receive through Medicaid billing will undoubtedly have a negative impact on services to students with disabilities and the annual operating budget. Thus, mandating how Medicaid funds will be spent, is to preempt the decision-making authority of local school systems charged with this responsibility.

For these reasons, we request that you issue an unfavorable report for Senate Bill 506. Thank you.

For these reasons, Prince George's County Public Schools requests an **unfavorable** report on Senate Bill 506.

Thank you.

Millard House II
Superintendent of Schools

Oppose SB506 Abusing MEDICAD fund for nonMedical u

Uploaded by: Nancy Shih

Position: UNF

I strongly oppose SB506 abusing MEDICAID for non-medical use

Medicaid and CHIP funds are intended for direct healthcare services for students. Using these funds for staffing, internships, and stipends may reduce the resources available for direct medical care, potentially harming students who rely on these programs for essential health services.

Please vote **unfavorable** against SB506.

Nancy Shih

Howard County

Montgomery County Board of Education Testimony_SB

Uploaded by: Patricia Ursprung

Position: UNF



MONTGOMERY COUNTY BOARD OF EDUCATION

Expanding Opportunity and Unleashing Potential

15 West Gude Drive ♦ Suite 100 ♦ Rockville, Maryland 20850

BILL: SB 506

TITLE: Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools

DATE: March 5, 2025

POSITION: Oppose

COMMITTEE: Education, Energy, and the Environment

CONTACT: Patricia Ursprung, Coordinator, Legislative Affairs

The Montgomery County Board of Education opposes Senate Bill 506.

This bill would place restrictions upon the use of funds the system receives from the Maryland Medical Assistance Program or the Maryland Children’s Health Insurance Program. In Montgomery County Public Schools (MCPS), Medical Assistance revenue is currently used to fund permanent special education staff members who directly support special education students; central office staff to support monitoring, collecting, and ensuring compliance with Medical Assistance billing regulations; payment of recertification fees for speech pathologists; and funding for university partnerships to create a pipeline for new speech pathologists to be employed by MCPS. MCPS generates approximately \$5.2 million in Medical Assistance revenue annually. Based on the use restrictions in the bill, only about \$2.2 million in services that are currently funded through Medical Assistance funds would be allowable, causing a \$3M shortage in our special education budget. This will have a direct, negative impact our special education students, which is the student population the reimbursement funds are currently used to support and benefit.

The bill also narrowly defines “provider” to include medical providers only, so it excludes special education teachers from the group of employees eligible for the recruitment and retention stipends proposed in the bill. Special education teachers have the same authority to bill Medical Assistance for services they provide, and in fact, services provided by special education teachers make up approximately 75% of MCPS’ reimbursement funds. Not including teachers as providers that are eligible to receive the stipend creates an inequity among employees.

In short, this bill places various restrictions on how school systems can use Medical Assistance reimbursement funds. Schools are in the best position to determine how the funds can be used to best support some of their most vulnerable and at need students. Because this bill removes that ability, the Montgomery County Board of Education opposes Senate Bill 506.

SB0506 Howard Co BOE Testimony 030525 for EEE - Us

Uploaded by: Staff Howard County

Position: UNF



**Board of Education
of Howard County**

Jolene Mosley, *Chair*

Linfeng Chen, Ph.D., *Vice Chair*

Andrea Chamblee, Esq.

Jennifer Swickard Mallo

Jacky McCoy

Meg Ricks

Antonia Watts

James Obasiolu
Student Member

William J. Barnes
*Superintendent,
Secretary/Treasurer*

**Board of Education of Howard County
Testimony Submitted to the Maryland Senate,
Education, Energy, and the Environment Committee
March 5, 2025**

SB0506: UNFAVORABLE

Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools

The Board of Education of Howard County (the Board) opposes **Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools** as it has the potential to divert school system funds used for important student services.

SB0506 initially defines “providers” as school audiologists, school psychologists, school speech pathologists, and any other health care practitioner who provides services to a student in a school setting. The bill goes on to require all local school systems to use funds received for services provided in schools to a student enrolled in Medicaid or the Maryland Children’s Health Insurance Program (MCHP) to provide: additional positions for providers; paid internships for students seeking to become providers; and stipends for providers, including providers working in low-performing schools, that are designed to address problems in provider recruitment and retention. The Maryland State Department of Education must adopt regulations to implement the bill.

The intent of SB0506 to expand the available service providers in schools through investments in recruitment of future providers as well as retention for existing providers is supported by staff. The mandate on the specific uses of Medicaid funds under the bill, however, limits flexibility to meet student needs. The [2024 fiscal and policy analysis](#) on this bill noted “local school system expenditures likely increase beginning in fiscal 2025 to replace funding for programs that previously used Medicaid or MCHP funds.” Additional investments not allowable under SB0506 for instance include administrative costs for coordinating and billing services as well as equipment and technology used for both students and staff when providing services. While experiencing a shortage of providers, the bill also hinders the ability of the school system to use funds for positions that directly support special education students such as temporary employees or other contractual needs to meet service obligations.

For these reasons, we urge an UNFAVORABLE report on SB0506 from this Committee.

SB 506 - MDH - EEE - LOI.docx (1).pdf

Uploaded by: Meghan Lynch

Position: INFO



Wes Moore, Governor · Aruna Miller, Lt. Governor · Ryan Moran, Dr.PH, Acting Secretary

March 5, 2025

The Honorable Brian J. Feldman
Chair, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401-1991

**RE: Senate Bill (SB) 506 – Maryland Medical Assistance Program – Use of
Reimbursement - Funds by Schools – Letter of Information**

Dear Chair Feldman and Committee members:

The Maryland Department of Health (the Department) respectfully submits this letter of information for Senate Bill (SB) 506 – Maryland Medical Assistance Program – Use of Reimbursement Funds by Schools. This bill requires elementary and secondary schools, as well as county school systems, to use funds received through the Maryland Medical Assistance Program or the Maryland Children's Health Insurance Program in a specific way. The funds must be used to create additional positions for health care providers, offer paid internships for students training to be providers, and provide stipends to support provider recruitment and retention.

The Department appreciates the bill's intention to address issues surrounding provider recruitment and retention. The national shortage of health care professionals is well-documented, and the scarcity of providers in school settings is even more pronounced. However, this bill could unintentionally limit the flexibility of reimbursement funds used by School-Based Health Centers (SBHCs) located within schools or on school campuses. These centers are staffed by licensed medical and behavioral health professionals specializing in child and adolescent health. Maryland currently has 89 approved SBHCs, all of which bill the Maryland Medical Assistance Program for services rendered. In the State fiscal year 2024 (SFY24), SBHCs collectively received \$2,113,403 in Medicaid reimbursements, and this figure is expected to increase in the coming fiscal years.

The Department has also been actively expanding access to services in school settings that are separate from SBHC settings. As of January 1, 2025, the Department expanded reimbursement for certain school-based services for Medicaid-covered children, in accordance with updated guidance from the federal Centers for Medicare and Medicaid Services (CMS).¹ First, school psychologists may now enroll as Medicaid providers for Individualized Education Plan (IEP) or

¹ Centers for Medicare and Medicaid Services. (2023). Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming. Available: <https://www.medicaid.gov/medicaid/financial-management/downloads/sbs-guide-medicaid-services-administrative-claiming.pdf>; accessed 11 Feb. 2025.

Individualized Family Service Plan (IFSP) services. Second, school social workers and school psychologists are now able to bill for mental health evaluation and counseling services for Medicaid-covered students outside of the IEP/IFSP structure.

In the future, the Department intends to expand reimbursement for the administrative activities associated with providing Medicaid-covered school-based services, such as outreach and marketing to Medicaid-covered or potentially eligible children, facilitating Medicaid enrollments, scheduling, interagency coordination, training, and care coordination. Subject to CMS approval, these services—as well as those described above—are eligible for federal financial participation (FFP).

CMS policy strongly encourages states to reinvest FFP received for school-based services to local education agencies and school-based providers. While SBHCs must utilize all reimbursement funds to support or expand their operations, those funds are not exclusively utilized to support provider recruitment and retention. Instead, they are often directed toward enhancing student programming, updating aging equipment, or expanding services. The provisions in SB 506 may restrict the ability of SBHC sponsoring organizations to allocate reimbursement funds in ways that best support their specific needs.

Additionally, while SBHCs are located within schools, the services are typically provided by or coordinated with third-party providers. If SB 506 redirects funds to the school or school system for use in recruitment and retention efforts, it could disincentivize third-party providers from participating in school-based care. This, in turn, could result in a decrease in the availability of services and negatively impact students who rely on SBHCs and other school-based services for their health care needs.

Furthermore, the bill's provisions could reduce the revenue for SBHCs through the shift in funding structures. Changes in revenue allocation could affect financial planning and long-term sustainability and negatively impact the ability of SBHCs to continue offering essential healthcare services to students.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron, Director of Governmental Affairs at sarah.case-herron@maryland.gov.

Sincerely,

A handwritten signature in blue ink that reads "Ryan B. Moran". The signature is fluid and cursive, with a horizontal line underneath the name.

Ryan B. Moran, Dr. P.H., MHSA
Acting Secretary