



Mohammed Choudhury
State Superintendent of Schools

BILL:	SB 201	DATE:	February 7, 2023
SUBJECT:	Maryland Medical Assistance and Children's Health Insurance Programs - School-Based Behavioral Health Services - Reimbursement	COMMITTEE:	Finance
POSITION:	Support		
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The Maryland State Department of Education (MSDE) supports Senate Bill 201, which would expand the number of students eligible for services eligible for Medicaid reimbursement, increase local education agency (LEA) opportunities to hire or expand recruitment for service providers to deliver mental health services to students who would be newly eligible for services eligible for Medicaid reimbursement, and increase the types of services eligible for Medicaid reimbursement.

In 2014, the Centers for Medicare and Medicaid Services (CMS) reversed its free care policy, which limited the Medicaid billing to students with IEPs or IFSPs (these are also the students who generate Blueprint special education funding in the Blueprint formula). Under the new CMS policy, any student qualifying for Medicaid was eligible for Medicaid reimbursement for school-based services even if they did not have an IEP. SB 201 requires the Maryland Department of Health to amend the State’s plan to leverage the new CMS policy, as updated in 2014, and, with that amendment, allow the for Medicaid-participating students to receive school-based services eligible for Medicaid Reimbursement. SB 201 also expands the types of positions that can provide covered services that students can receive, for which LEAs would then be eligible for Medicaid reimbursement, including school social work, school nursing, school counseling, and school psychology. To date, seventeen States have taken advantage of the policy shift at CMS. Maryland has not. It is time for Maryland to catch up.

LEAs already provide services and have structures associated with Medicaid billing. This expansion also allows local education agencies to bill for school-based administration costs, which include direct costs for billing and administering the program (including staff costs for doing so), as well marketing, recruitment, and eligibility to expand access and information about services and Medicaid eligibility. For comparison of impact, Massachusetts has a comparable number of public school-enrolled students. In 2016, CMS noted that Massachusetts sought reimbursement for \$98,096,636 in school-based services and \$89,630,096 in school-based administration compared to Maryland's \$78,444,393 in school-based services and \$0 in school-based administration. The difference is substantial.

This bill has the opportunity to expand services to many of Maryland’s highest-need children at no cost to the State. It is a win-win for Maryland’s children and we respectfully request that you consider this information as you deliberate Senate Bill 201. Please contact Justin Dayhoff, at 410-767-0439, or justin.dayhoff@maryland.gov, for any additional information.