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School-Based Behavioral Health Services

Findings From Stakeholder Interviews

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Medicaid and CHIP Payment and Access Commission

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Overview

- Approach
- Key findings
- Considerations and next steps



Approach

- MACPAC conducted stakeholder interviews in Arkansas, California, Michigan, Missouri, and New York
- Stakeholders interviewed:
 - State Medicaid and education agencies
 - School districts
 - Advocacy organizations
 - Select national experts
- Interviews took place before the Centers for Medicare & Medicaid Services (CMS) released new guidance on May 18, 2023
- MACPAC has since engaged with additional state and national experts, including CMS

Key Findings

Expanded Coverage for School-Based Services

- Four study states cover behavioral health outside of an individualized education plan (IEP) or individualized family service plan (IFSP)
 - The extent to which local education agencies (LEAs) bill for those services varies
- States have limited data on the effects of covering non-IEP/IFSP services
 - Implementation occurred recently and the pandemic affected utilization in schools
 - It can be difficult to differentiate between IEP/IFSP and non-IEP/IFSP services
- Stakeholders cited a lack of clear and updated federal guidance as a major barrier to expanding access to behavioral health and other school-based services

Access

Provider availability

- Lack of providers is a major barrier to expanding access to behavioral health services in schools
- States have taken steps to increase the behavioral health workforce in schools, including broad-based efforts that are not limited to Medicaid and sometimes leverage other state resources

Provider qualifications

- Stakeholders noted a need for clear federal guidance regarding the types of providers that can bill Medicaid in schools
 - CMS guidance clarifies that states can cover services provided by school-based providers, such as school psychologists and school counselors

Access, cont.

Service orders and referrals

- The need to receive an order or referral from a child's primary care provider or other licensed provider can impede access

Coordination and duplication of services

- Coverage of out-of-school services is sometimes denied because of services students receive in school through an IEP/IFSP
- However, Individuals with Disabilities Education Act (IDEA) rules state that services billed in school as part of an IEP/IFSP cannot preclude coverage of eligible services offered outside of school

Financing and Payment

Federal matching funds

- Lack of insight into the use of federal matching funds for certified public expenditures (CPEs) can discourage school billing
 - States using CPEs are not required to provide matching funds to schools

Random moment time study (RMTS)

- Stakeholders expressed concern that advance notification and response time windows are too short
 - CMS clarifies that states may provide up to two days for notice and response
- Rules for updating the RMTS participant list can prevent billing
 - CMS guidance provides more flexibility

Billing and Documentation

Parental consent

- Challenges obtaining parental consent can delay care
- Schools must navigate state and federal laws, including requirements under IDEA and the Federal Educational Rights and Privacy Act (FERPA)
 - CMS guidance discusses federal requirements and notes that Medicaid regulations do not require schools to obtain consent for billing purposes

Medical necessity

- It can be difficult for school-based providers to determine when services are medically necessary, and to identify appropriate codes

Billing and Documentation, cont.

Provider requirements

- Federal ordering, referring, and prescribing (ORP) requirements can prevent schools from receiving Medicaid payment
 - ORPs must be enrolled Medicaid providers, and the ORP's national provider identifier (NPI) must be on the claim
 - The provider enrollment and individual NPI application processes can be a significant administrative burden for school-based providers
- Federal requirement for furnishing providers to enroll in the state Medicaid program may also be a barrier
 - The administrative burden and need to disclose personal information can prevent school-based providers from becoming enrolled and billing Medicaid

Billing and Documentation, cont.

Third-party liability (TPL)

- TPL is an administrative burden that can prevent schools from obtaining Medicaid payment for covered services
 - Schools pursuing payment for non-IEP/IFSP services must receive a denial from the commercial insurer before submitting the Medicaid claim
- CMS guidance outlines options for addressing TPL burden
 - However, waivers of cost avoidance are rare and states must annually update documentation to support exemptions for “never covered services”

Federal audits

- Fear of audits can be a barrier to maximizing Medicaid billing and can discourage states from covering non-IEP/IFSP services

Considerations

- Staff have identified three policy issues that may warrant further attention from the Commission:
 - Coordination and duplication of services
 - ORP and provider enrollment requirements
 - TPL
- Future work could focus on identifying federal Medicaid policy levers available to address these issues
- It would be helpful to hear Commissioners' thoughts on conducting additional work in these areas

Next Steps

- Stakeholders are still analyzing the new federal guidance and its implications for their programs
- Staff will continue monitoring for additional guidance and support from the technical assistance center, as well as information about the funding opportunity expected in early 2024
- MACPAC will also publish an issue brief with background information on Medicaid school-based services

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