

State-level Details of State Medicaid Policy Analysis

In 2014, federal guidance from the Centers for Medicaid and Medicare Services (CMS) made it possible for states to seek Medicaid reimbursement for school-based health services provided for free to Medicaid-enrolled students. State Medicaid Plans (SMPs) and managed care contract policies (MCCPs), however, can prevent states from taking advantage of this new flexibility. This brief provides further detail on the analysis that Child Trends, in partnership with the National Health Law Program (NHeLP), completed to gauge the extent to which SMPs and MCCPs may inhibit the use of Medicaid for school-based health services as of October 2020. Note that this brief is meant to be read in tandem with the full report, [Early Evidence of Medicaid's Important Role in School-Based Health Services](#).

State Medicaid Plans and State Plan Amendments

The team summarizes the results of its review of State Medicaid Plans (SMPs) and State Plan Amendments (SPAs) in Table 1, below. The “Explicit prohibition” column lists states that have specific barriers inhibiting reimbursement for school-based early and periodic screening, diagnostic, and treatment (EPSDT) services, which Medicaid provides for all enrollees under age 21 free of charge. The “Likely barrier” column lists states with provisions related to EPSDT services that could present a barrier to reimbursement for coverage. The “Related” column lists provisions related to EPSDT services that would not likely impede reimbursement for school-based services. The “No reference” column lists SMPs with no provisions that would negatively affect coverage of EPSDT services provided in schools. The “Express authorization” column lists states that have an express authorization for covering school-based services without restricting services provided to children with disabilities, as is prescribed in an individualized education plan (IEP) or individualized family service plan (IFSP) consistent with the Individuals with Disabilities Education Act (IDEA). Finally, the “Details” column contains further context on how the states are categorized. Please note the “Details” column uses several different terms to describe health services provided in schools to mirror the language used in the SMPs, which vary between states. This categorization of SMPs borrows from an approach used in NHeLP’s original memo, [Medicaid’s “Free Care Policy:” Results from Review of State Medicaid Plans](#) (October 20, 2016), with the addition of the “Express authorization” category.

Table 1. Summary of State Medicaid Plan and State Plan Amendment Analysis, as of October 2020.

State	Explicit prohibition	Likely barrier	Related	No reference	Express authorization	Details
AL		✓				Requires EPSDT services be documented in IEP/IFSP.
AK				✓		SMP generally references coverage of EPSDT services without specific reference to IEPs.
AZ				✓		SMP generally references coverage of EPSDT services without specific reference to IEPs.
AR				✓		SMP generally references coverage of EPSDT services without specific reference to IEPs.
CA					✓	CMS approved SPA expanding types of eligible providers allowing reimbursement for all Medicaid-enrolled students.
CO					✓	CMS approved SPA expanding the school Medicaid program to include services delivered to all Medicaid-enrolled students.
CT		✓				EPSDT in School-Based Child Health Service Setting are listed in a recipient student's IEP or in a Section 504 plan. Behavioral modification services, medical services, personal care services mentioned under IEP.
DE		✓				Requires school-based services, except for screening, be documented in IEP/ IFSP.
DC		✓				School-based health services are listed in recipient's IEP/IFSP.
FL					✓	SPA approved 2017 removed IEP restrictions. Legislation was passed in June 2020 to remove the statutory IEP restriction language for all children enrolled in Medicaid.
GA	✓					IEP required for school nursing services. SPA submitted in 2018 would remove the IEP requirement for school nursing services, allowing school districts to bill for nursing services delivered to all Medicaid-enrolled students.

State	Explicit prohibition	Likely barrier	Related	No reference	Express authorization	Details
HI		✓				School-based health-related services are included in each child's IEP.
ID		✓				School-based services must be specifically identified in an IEP.
IL				✓		SMP generally references coverage of EPSDT services without specific reference to IEPs.
IN		✓				School-based nursing services are reimbursed when prescribed in a Medicaid-enrolled student's IEP.
IA				✓		School psychologist services covered without reference to IEP.
KS		✓				School-based services must be listed in child's IEP/IFSP.
KY					✓	SPA approved expanding Medicaid reimbursement for services delivered to all Medicaid-enrolled students.
LA					✓	SPA approved allowing schools to bill for all medically necessary services delivered to any Medicaid-enrolled student.
ME		✓				The only school-based services referenced in the SMP are rehabilitative services, which must be covered in an IEP.
MD	✓					Does not reimburse for school-health-related services that are not included on a child's IEP/IFSP.
MA					✓	SPA approved in 2017 allows school districts to bill for services delivered to all Medicaid-enrolled students, and expands services covered in school-based settings. State legislation pending that will ensure Medicaid reimbursement from school-based services is reinvested in school nursing programming and services.

State	Explicit prohibition	Likely barrier	Related	No reference	Express authorization	Details
MI					✓	SPA expands Medicaid reimbursable services to all Medicaid-enrolled students when services are deemed medically necessary.
MN		✓				Rehabilitative services covered under IDEA. They are provided to children with IFSPs/IEPs during school day.
MS				✓		Allows reimbursement for schools and other agencies that provide EPSDT screenings.
MO					✓	Policy adopted in April 2018 to allow billing.
MT				✓		SMP indicates that a particular service is covered in schools, but lacks indication that coverage of other services is precluded.
NE		✓				SPA granted in 2017 to add restriction that school-based services only be covered if included in an IEP/IFSP.
NV					✓	CMS approved SPA to expand reimbursement for services delivered to any Medicaid-enrolled student.
NH				✓		Legislation passed in 2017 expand Medicaid reimbursement to include services delivered to all Medicaid-enrolled students. State has yet to publish final rules needed to implement this expansion
NJ		✓				School-based rehabilitative services reimbursed pursuant to IDEA.
NM			✓			SPA addresses reimbursement to local education agencies for direct medical services and does not expressly limit to services prescribed in an IEP, with the exception of transportation services.

State	Explicit prohibition	Likely barrier	Related	No reference	Express authorization	Details
NY		✓				School Supportive Health Services (SSHS) and Pre-School Supportive Health Services (PSSHS) must be included in child's IEP. School districts will be paid only for direct Medicaid-covered services provided pursuant to an IEP.
NC					✓	SPA is expanding coverage of most school-based services, approved January 2019.
ND				✓		SMP references coverage of EPSDT services without specific mention of IEPs.
OH		✓				Mental health/psychology services must be documented in child's IEP.
OK		✓				School-based services are provided pursuant to a valid IEP in accordance with IDEA.
OR		✓				Covers school-based rehabilitative services if listed in IEP with no reference to other school-based services. Submitted SPA in December 2019 to expand reimbursement for medically necessary services delivered to any Medicaid-enrolled student.
PA		✓				Services provided to beneficiaries for whom the service is medically necessary and documented in the IEP.
RI		✓				Children's behavioral health services are provided in conjunction with goals and services in child's IEP.
SC				✓		There were no restrictions in South Carolina's state Medicaid plan related to the free care policy reversal prior to 2016. SC expanded Medicaid reimbursement to include services delivered to all Medicaid-enrolled students/no SPA needed.
SD				✓		School-based health services are not mentioned in SMP.
TN				✓		School-based health services are not mentioned in SMP.

State	Explicit prohibition	Likely barrier	Related	No reference	Express authorization	Details
TX			✓			Many references to school health services being covered without reference to IDEA, but description of reimbursement methodology indicates that Medicaid only pays for children with IEPs, indicating a separate barrier in state policy.
UT		✓				Services may be provided at the early intervention site, day care site, in the child's home, or at the child's school as needed in accordance with the IFSP/IEP.
VT		✓				School health services reimbursed when ordered by IEP/IFSP for special education students as defined under Part B or Part C of IDEA.
VA		✓				School-based services eligible for reimbursement are listed in recipient's IEP.
WA		✓				Reimbursable school-based services are included in the child's current IEP for Part B services or IFSP for Part C services.
WV		✓				The School-Based Health Services program includes medically necessary covered health care services identified pursuant to IEP Plan.
WI		✓				School-based services are those listed in an eligible student's IEP.
WY				✓		School-based health services are not mentioned in SMP.

Managed Care Contracts and Requests for Proposals

For states that have comprehensive managed care for children, the team reviewed state Medicaid managed care contracts or state requests for proposals when the contracts were not available. This research is summarized in Table 2. The “Likely barrier” column lists states with provisions indicating a barrier to coverage of school-based services. In the “No reference” column are states with no relevant or no negative impact. States listed in the “Express authorization” column expressly authorize coverage of services in schools that are not included in IEP. The “Details” column offers notes for additional context on states’ categorization, for example the requirements of the managed care organizations (MCOs) in the state. Table 2 lacks a column for “Explicit prohibition” as no state MCCP fits this category. This analysis excludes states which have no comprehensive managed care for children, as well as Hawaii, where new contracts were awarded in January 2020 but then postponed and rescinded by May 2020 due to the COVID-19 public health emergency. The state has yet to release a new RFP.

Table 2. Summary of Managed Care Contract Policy Analysis, as of October 2020

State	Likely barrier	No reference	Express authorization	Details
AL				No comprehensive managed care.
AK				No comprehensive managed care.
AZ	✓			Contract specifies that the Medicaid agency pays for services only when covered by IDEA, indicating a separate barrier in state policy.
AR				No comprehensive managed care.
CA			✓	Contract describes LEA services and school-based services separately. LEA services are defined as IDEA services. Does not specify conditions for school-based services.
CO			✓	Contract reference to school-based health services does not indicate that they are restricted to IDEA services.
CT				No comprehensive managed care.
DC		✓		School-based services are not included in managed care contract. They are provided through a fee for service.
DE		✓		School-based services are not included in managed care contract. They are provided through a fee for service.

State	Likely barrier	No reference	Express authorization	Details
FL		✓		School-based services are not included in managed care contract. They are provided through a fee for service.
GA		✓		School-based IDEA services are not included in managed care contract. They are provided through a fee for service.
HI				2020 contract implementation rescinded due to COVID-19 pandemic. The state has not released a new RFP.
ID		✓		School based IDEA services are not included in managed care contract.
IL			✓	MCOs required to accept claims from school-based health centers as non-network providers.
IN			✓	MCOs are required to “plan for, develop and/or enhance relationships with SBHCs with the goal of providing accessible quality preventive and primary health care services,” and may include SBHCs in their networks. IDEA services are not included in managed care contract. They are provided through fee for service.
IA		✓		School based services are not included in managed care contract.
KS		✓		School based services are not included in managed care contract.
KY		✓		School-based IDEA services are not included in managed care contract. They are provided through a fee for service.
LA			✓	MCOs must contract with SBHCs, but IEP services are not included in managed care contract. They are provided through a fee for service.
ME				No comprehensive managed care.
MD		✓		Unclear, but appears that SBHC services are not included in managed care contract.
MA		✓		School based services are not included in managed care contract.
MI		✓		Requires coordination and provision of information about services provided by a school district.

State	Likely barrier	No reference	Express authorization	Details
MN		✓		IEP services are not included in managed care contract.
MS		✓		Requires coordination by contractor with school health services.
MO		✓		IEP services are not included in managed care contract. They are provided through a fee for service.
MT				No comprehensive managed care.
NE		✓		School-based services are not included in managed care contract. They are provided through a fee for service.
NV			✓	Indicates that managed care plan contracts with SBHCs.
NH		✓		Requires development of relationship with schools, does not indicate whether services are included in contract.
NJ			✓	SBHC and IEP services expressly covered under managed care contract.
NM		✓		Contract defines SBHC services, but does not include text indicating whether these services are included in managed care.
NY		✓		IEP services are not included in managed care contract. They are provided through a fee for service.
NC				No comprehensive managed care.
ND				Sanford Health contract on file, but no MCO services for children.
OH		✓		School based services are not included in managed care contract.
OK				No comprehensive managed care.
OR		✓		IEP services are not included in managed care contract. They are provided through a fee for service; not clear whether SBHC services are included in managed care contract.
PA		✓		Not clear whether SBHC services are included in managed care contract.

State	Likely barrier	No reference	Express authorization	Details
RI		✓		School based services are not included in managed care contract.
SC		✓		SBHC services are not included in managed care contract. They are provided through a fee for service.
SD				No comprehensive services for children.
TN	✓			Some EPSDT school-based services covered under managed care. The schools are responsible for delineating the services on the IEP that MCOs must consider for payment
TX		✓		School based services are not included in managed care contract. They are provided through a fee for service.
UT		✓		School based services are not included in managed care contract.
VT		✓		EPSDT and school-based services are not mentioned in the ACO contract.
VA		✓		School-based services are not covered under managed care contract.
WA	✓			WA Medicaid encourages MCOs contracting with SBHCs. Encouraging the MCO to contract with SBHCs does not guarantee they will provide the services. School-based Health Care Services for Children in Special Education with an IEP are not included in managed care contract. They are provided through a fee for service.
WV	✓			MCOs encouraged, but not required to contract with SBHCs. Encouraging the MCO to contract with SBHCs does not guarantee they will provide the services. They can easily opt out, which has a big effect on access to services due to the high percentage of Medicaid-enrolled in managed care.
WI		✓		SBHC services defined, but not clear from context if they are covered under managed care.
WY				No comprehensive managed care.