

State Recovery Now



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a project of America Achieves

WHY DOES THIS MATTER?

Additional federal funds are available to states, which can be used to expand access to critical mental health services in schools.

WHY USE ARP FUNDS?

The majority of the costs are one-time, up-front expenses, with an end result of an increased influx of annual federal dollars. As an initiative designed to improve mental and behavioral health outcomes, this is an ideal use of ARP funds.

WHY DO THIS NOW?

The COVID-19 pandemic has exacerbated existing inequities in mental and behavioral health outcomes among primary and secondary school students. ARP funds can help unlock significant federal funds to expand school-based Medicaid programs, improving access for students most in need.

School-Based Medicaid Expansion



What are we trying to accomplish? Improving access to mental and behavioral health services for primary and secondary school students, particularly in schools with higher concentrations of low-income students.



Problem we're addressing: Due to a lack of funding, most primary and secondary schools lack sufficient health services, and particularly mental health services. The impact is even more concentrated in low-income and historically underserved schools.



Why does this matter? Additional federal funds are available to states, which can be used to expand access to critical mental health services in schools.



What is the policy intervention? States can expand school-based Medicaid programs through a policy change that increases federal funds flowing to local education agencies. A 2016 CMS rule change allows LEAs to bill Medicaid for not just services on an Individualized Education Program, but now also for services that are simply on an authorized medical written plan of care. To unlock this funding, states can amend their statewide Medicaid plans. Once approved, policymakers can use ARP funds to support implementation and training costs.



Cost: Implementation costs will vary by state, depending on the level of support the state is able to provide. Up-front costs could include: staffing; purchasing a documentation and/or billing system; development of training materials for implementation; providing technical assistance to LEAs; provider pipeline development; technical expertise consulting; and frontloading costs ahead of federal reimbursements

ROI: States can measure ROI through (1) the increase in Medicaid reimbursements (which can be used to fund additional health services), and (2) the increase in health services in schools. Though not as easy to measure, states can also expect increased mental health services in schools to lead to better health outcomes among students.



Why now? The COVID-19 pandemic has exacerbated existing inequities in mental and behavioral health outcomes among primary and secondary school students. ARP funds can help unlock significant federal funds to expand school-based Medicaid programs, improving access for students most in need.



What does success look like?

- Substantially increasing the amount of federal funding available for much-needed health and mental health in schools.
- Addressing disparities in access to care for schools with low-income and historically underserved student populations.
- Helping local education agencies get closer to the recommended ratios of one mental health provider to 250 regular education students, and one to 50 special education students.
- Long-term improvement in health and mental health outcomes for students.



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TAKEAWAYS

Outcomes	Equity	One-time state investment
Substantially increases federal funds available for health and mental health services in schools, improving access to care for students.	Schools that stand to benefit the most are those with the highest Medicaid populations, directing more dollars to populations historically underserved. The more low-income students a school has, the more dollars (and therefore services) they are able to provide.	A one-time investment of state ARP funds can cover implementation costs, while ongoing costs will be covered by unlocked annual federal funds.