Medicaid and School Mental Health 101
How Can Schools Finance School Mental Health Services through Medicaid?

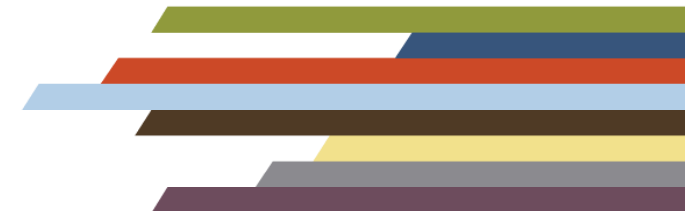Presenter: Adam S. Wilk, Ph.D.

Moderator: Terah Kalk, MPH

School Mental Health Initiative

Southeast Mental Health Technology Transfer Center (MHTTC)

Rollins School of Public Health, Emory University

March 30, 2022

Disclosure/Disclaimer

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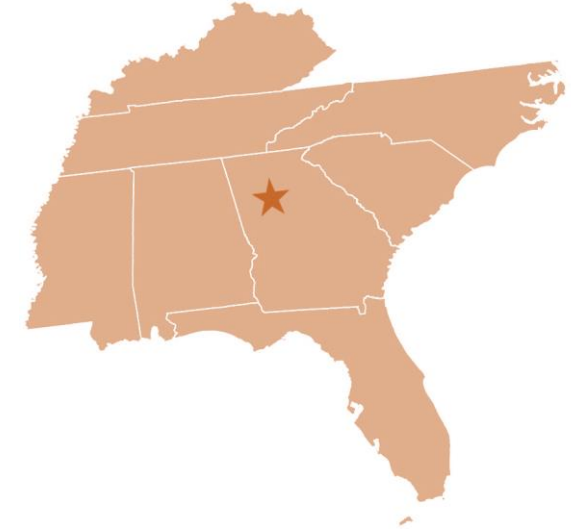Southeast Mental Health Technology Transfer Center

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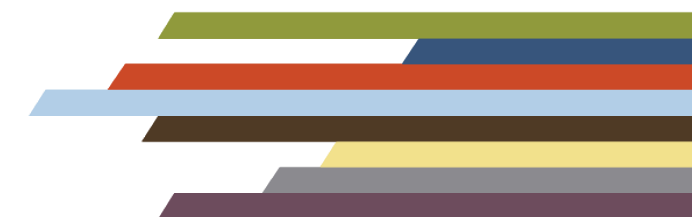
About the Southeast Mental Health Technology Transfer Center (MHTTC)

The Southeast MHTTC is located at the Rollins School of Public Health, Emory University.

Serve states in HHS Region IV: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

Our Mission: To promote the implementation and sustainability of evidence-based mental health services in the Southeastern United States.

Our Vision: Widespread access to evidence-based mental health services for those in need.

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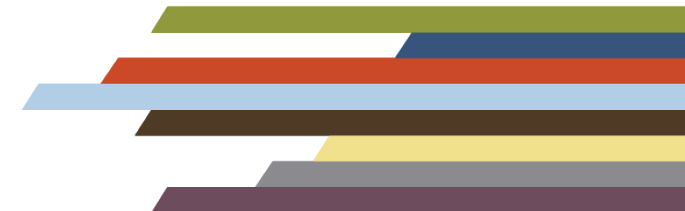Alabama | Florida | Georgia | Kentucky | Mississippi | North Carolina | South Carolina | Tennessee
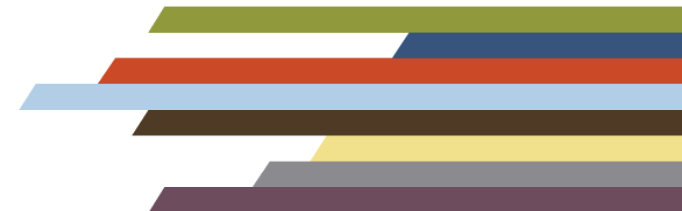
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Presenter
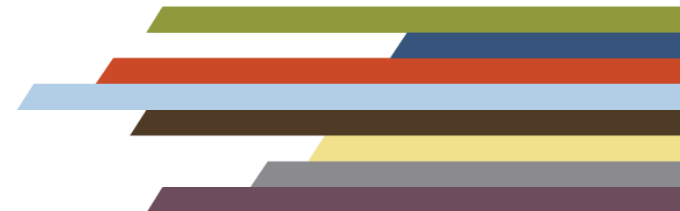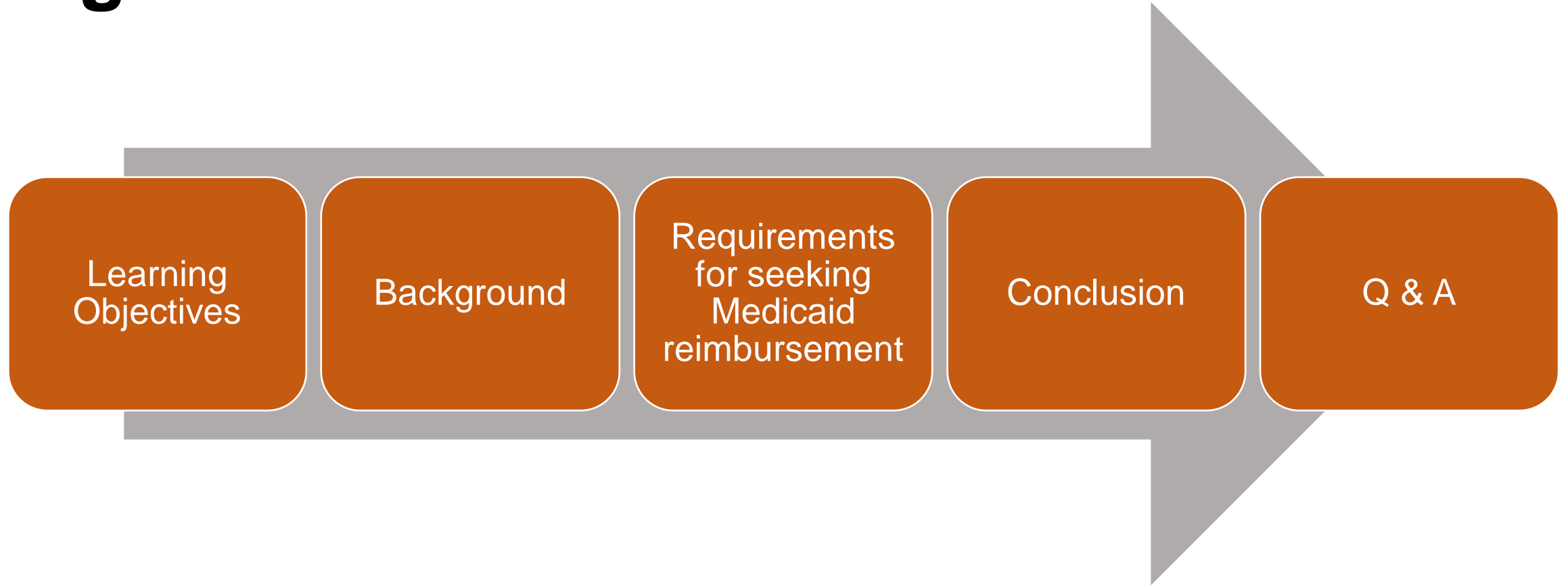
Dr. Adam Wilk

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Agenda

Learning Objectives

Background

Requirements for seeking Medicaid reimbursement

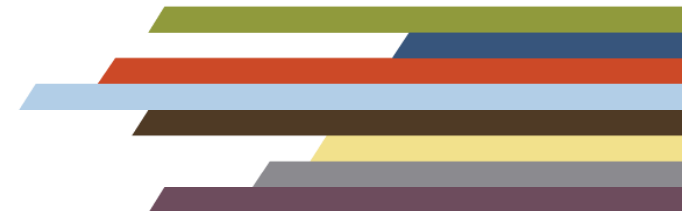Conclusion

Q & A

Learning Objectives

1 Identify the four requirements for receiving Medicaid reimbursement for school mental health services

2 Identify Medicaid benefits that can cover school mental health services

3 Identify services covered by the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit

Background | What is Medicaid?

- Federal-state jointly funded program

  - Each state has the flexibility to design its Medicaid program: No two states' Medicaid programs look the same!

- Provides health insurance coverage and health services

- Covered populations: children, pregnant women, individuals with a disability, and low-income individuals[1]

- Covers 48% children in the U.S. (> 39 million children) as of June 2021[2]
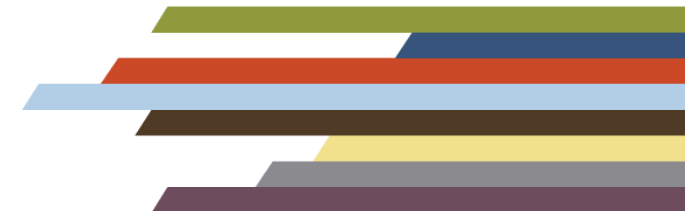
Background | Medicaid is an important source of financing for school mental health services

- Medicaid is the largest insurer of children and the largest single payer of mental health services in the U.S.[3,4]

    - Accounts for 46% of all mental health services for school-age children (5-17 years old)[5]

    - Covers a wide range of mental health services

- Facilitates access to health care, especially for low-income children and families

Overview | Four Requirements for seeking Medicaid reimbursement for school mental health services

Service
Medicaid covers the service

Recipient
The student-client is enrolled in Medicaid

Provider
The provider is a Medicaid-certified provider

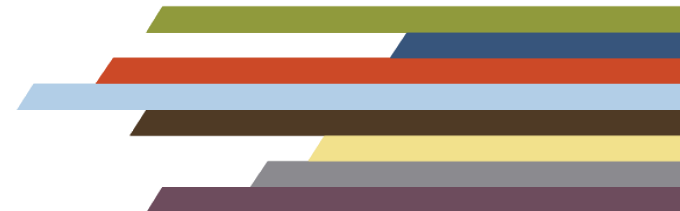## Setting
School is a Medicaid-accepted setting

Requirement 1

Medicaid covers the service

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Requirement 1 | Medicaid covers the service

Medicaid can pay for direct services and associated expenses of some administrative services

Direct Services	Administrative Services
• Mandatory Services 　• E.g., EPSDT • Optional Services 　• E.g., Telehealth	• Administrative supports for direct services • Outreach and enrollment services

EPSDT: Early and Periodic Screening, Diagnostic, and Treatment

Requirement 1 | Medicaid covers the service

Direct Services: Mandatory Services

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

- <u>Mandatory benefit</u> for all Medicaid enrollees under age 21

- Covers many screenings, diagnostic services, and associated treatments

See Southeast MHTTC resource "[The Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Medicaid Benefit](#)" for more information.

Requirement 1 | Medicaid covers the service

Direct Services: Mandatory Services

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

- EPSDT-covered screening services include screenings for mental health and substance use problems
  - Examples: autism screening, depression screening, tobacco, alcohol and drug use assessment
- Medicaid covers ALL diagnostic services and treatments that are needed to treat the conditions identified thorough an EPSDT screening.
 - Includes treatment services not otherwise covered by Medicaid

Requirement 1 | Medicaid covers the service

Direct Services: Mandatory Services

- Other **mandatory services** that may include school mental health and outpatient mental health services:
  - Physician services
  - Rural health clinics and federally qualified health center services
  - Practitioner services

💡 See MACPAC webpage "[mandatory and optional benefits](#)" of Medicaid for more information
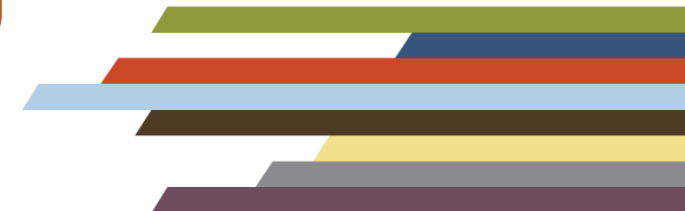
Requirement 1 | Medicaid covers the service

Direct Services: Optional Services

- Many states cover **telehealth/telemedicine** (optional service)

- During the COVID-19 pandemic, many states expanded Medicaid coverage of telehealth

Caveat: These policies are <u>time-sensitive</u>, and they <u>may have expired in several states this year</u>. Please check with your state Medicaid office for the current status of these policies.
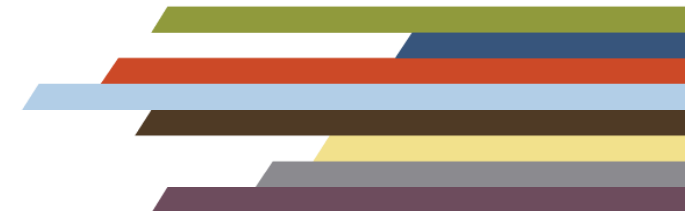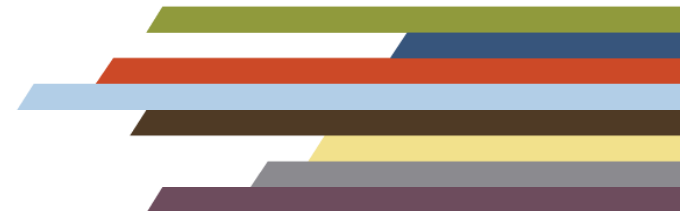
Requirement 1 | Medicaid covers the service

Direct Services: Optional Services

- Examples of other **optional services** that may include school mental health and outpatient mental health services:
  - Case management
  - Home and community-based services
  - Prescription drugs

See CMS webpage "[Mandatory & Optional Medicaid Benefits](#)" for more information

Requirement 1 | Medicaid covers the service

Administrative Services

Schools can receive Medicaid reimbursement for **administrative services**

- **Administrative supports for direct services**
  - Example: Scheduling or arranging transportation to Medicaid-covered services

- **Outreach and enrollment services**
  - Example: Referring a family to a local Social Services Office to apply for Medicaid benefits

See MHTTC resource "[Financing School-Based Services through Medicaid: Reimbursement for Administrative Expenses](#)" for more information
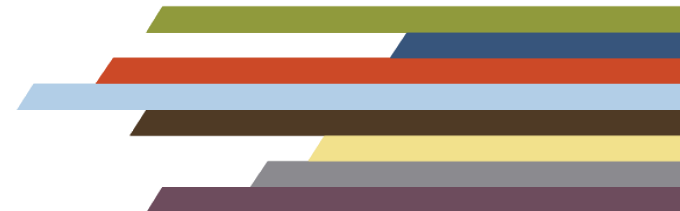
Requirement 2

The student-client is enrolled in Medicaid

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Requirement 2 | The student-client is enrolled in Medicaid

Medicaid Eligibility

- Medicaid is an <u>entitlement program</u>: Whoever meets the eligibility criteria has the right to enroll
  - **Categorical eligibility:** An individual must be in a eligibility group
  - **Income limit:** The individual's household income must be below a specified income limit that is associated with the eligibility group
- Eligibility must be re-certified every 12 months (or more often) to maintain coverage

Requirement 2 | The student-client is enrolled in Medicaid

Medicaid Eligibility: Categorical Eligibility

- **Mandatory eligibility groups:** Required by federal regulations
  - Examples: low-income families (including children), disabled individuals (including disabled children), children in Adoption Assistance, Foster Care or Guardianship Care

- **Optional eligibility groups:** States may also choose to cover optional eligibility groups
  - Example: Children covered by the "Katie Beckett" waiver (i.e., children under age 19 with long term disabilities or complex medical needs who receive an institutional level of care at home)

Requirement 2 | The student-client is enrolled in Medicaid

Medicaid Eligibility: Income Limit

- The individual's <u>household income</u> must be below a specified income limit that is associated with the eligibility group.

  - Income limits specified as percentage of the Federal Poverty Level (FPL)

- Federal regulations establish minimum income limits for each eligibility group. States may choose to set higher income limits.

> Uninsured children in families whose incomes are higher than the income limit for Medicaid eligibility may qualify for **Children's Health Insurance Program (CHIP)** coverage

Requirement 2 | The student-client is enrolled in Medicaid

Children's Health Insurance Program (CHIP)

- Federal-state jointly funded program

- Mainly covers uninsured children in low-to-middle income families who do not qualify for Medicaid (e.g., income too high)

- <u>NOT</u> an entitlement program: Eligible children may face other limits when seeking to enroll (e.g., waiting period)

- Terms of coverage may be different versus Medicaid
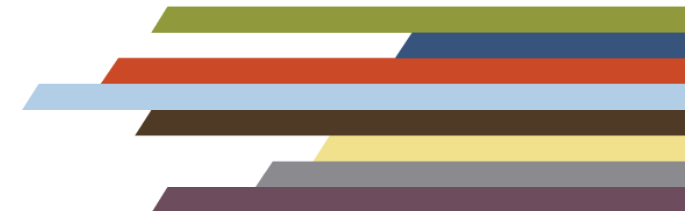
Requirement 2 | The student-client is enrolled in Medicaid

Income Limits of Medicaid and CHIP Eligibility among States in the Southeast Region: Children in Low-Income Families, July 2021

State	Medicaid (%FPL)			CHIP (%FPL)
	Infants under age 1	Age 1-5	Age 6-18	Age 0-18
Alabama	141	141	141	312
Florida	206	140	133	210*
Georgia	205	149	133	247
Kentucky	195	159	159	213
Mississippi	194	143	133	209
North Carolina	210	210	133	211†
South Carolina	208	208	208	208‡
Tennessee	195	142	133	250

Note: CHIP: Children's Health Insurance Program, FPL=Federal Poverty Level. * Florida's CHIP program covers children age 1-18. † North Carolina's CHIP program covers children age 6–18. ‡ South Carolina does not have a separate CHIP program and covers all CHIP-eligible children under its Medicaid program. Source: MACPAC 2021. Medicaid and CHIP Income Eligibility Levels as a Percentage of the FPL for Children and Pregnant Women by State, July 2021
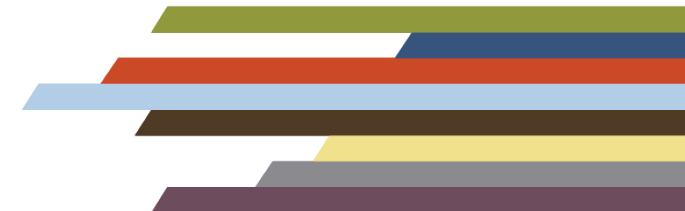
Requirement 3

The provider is a Medicaid-certified provider

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Requirement 3 | The provider is a Medicaid-certified provider

- Providers are required to be **Medicaid-certified** to receive Medicaid reimbursement.
  - Must meet the state's licensure/certification requirements
  - Must complete application

- If planning to seek Medicaid reimbursement, local education authorities should check if providers are Medicaid-certified
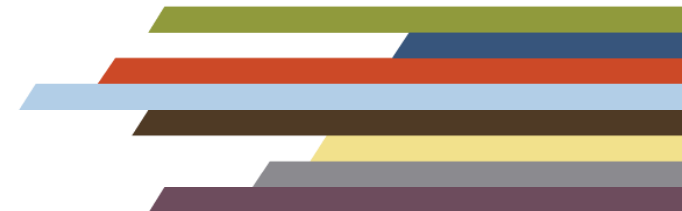
# Requirement 3 | The provider is a Medicaid-certified provider

⚠️ **Caveat:** In states that administer Medicaid programs through managed care, providers must also <u>contract with</u> Medicaid Managed Care plans and <u>be in a plan's provider network</u> to receive reimbursement from that plan.

What is Medicaid Managed Care (MMC)?

- State contracts with multiple private insurers to administer Medicaid benefits
- Each insurer may have unique billing rules
- >80% of Medicaid-enrolled children covered by one or more MMC plans (2019)[6]

See MHTTC resource "Financing School-Based Mental Health Services in Medicaid Managed Care" for more information
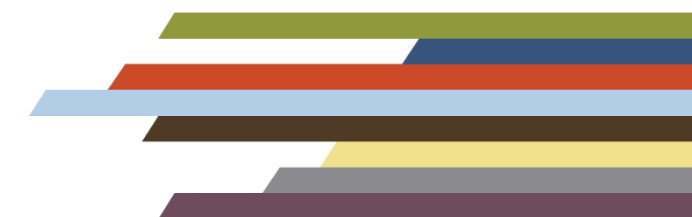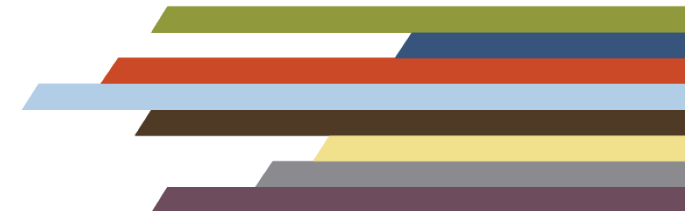
Requirement 4

School is a Medicaid-accepted setting

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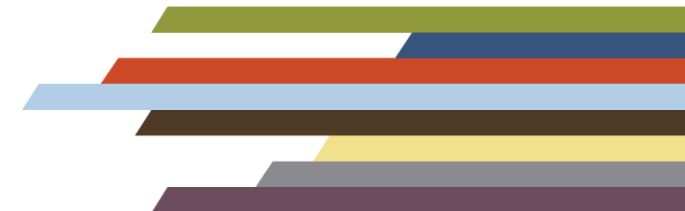
Requirement 4 | School is a Medicaid-accepted setting

- As of December 2014, billing Medicaid for services in school settings is now permissible.
  - Per new guidance from Centers for Medicare and Medicaid Services concerning the "**Free Care Rule**"[7]

- Many (but not all) states are now leveraging this guidance[8]

See Community Catalyst resource "Advocates' Guide to the Change In The Medicaid Free Care Rule" for tips for implementing the revised "Free Care Rule" guidance (2014)

Requirement 4 | School is a Medicaid-accepted setting

Children with an **Individualized Education Plan (IEP)**

- Under The Individuals with Disabilities Education Act (IDEA), the school must work with parents and other professionals to develop an IEP for each IDEA-eligible student

- Medicaid will cover school-based behavioral and medical services as <u>specified in a student's IEP</u>.
  - …Regardless of state's Free Care Rule Implementation Status

Conclusion | Four Requirements for seeking Medicaid reimbursement for school mental health services

Service
Medicaid covers the service

Recipient
The student-client is enrolled in Medicaid

Provider
The provider is a Medicaid-certified provider

Setting
School is a Medicaid-accepted setting

Conclusion| Upcoming Southeast MHTTC product: Medicaid and School Mental Health FAQs

- Introduction

- What is Medicaid?

- When will Medicaid pay for school mental health services?

- What services does Medicaid cover?

- Who is eligible for Medicaid?

- What providers can bill Medicaid?

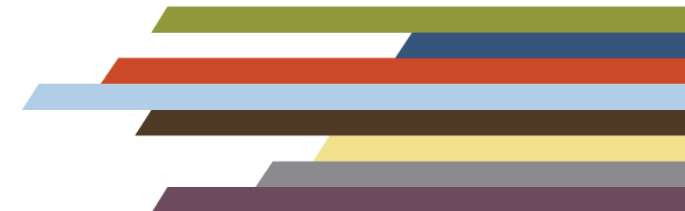- Are schools a Medicaid-accepted setting for providing mental health services?

All webinar registrants will be notified when this report is available.
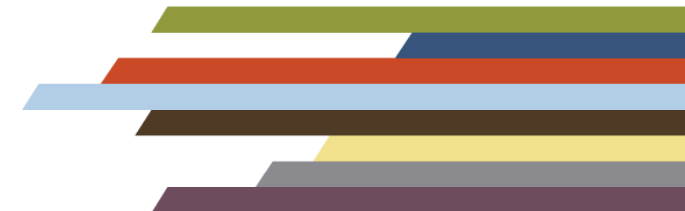
Conclusion| Upcoming Southeast MHTTC product: Medicaid and School Mental Health FAQs

More to come!

- How does Medicaid pay for school mental health services?

- What is Medicaid Managed Care?

- What are the major types of Medicaid reforms?

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Q&A Panelists

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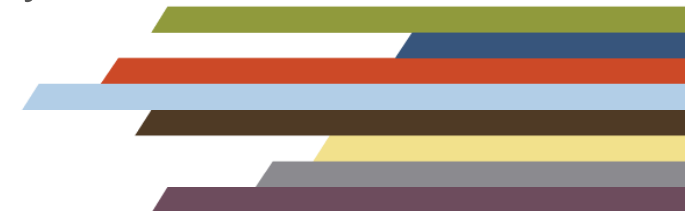Rollins School of Public Health, Emory University

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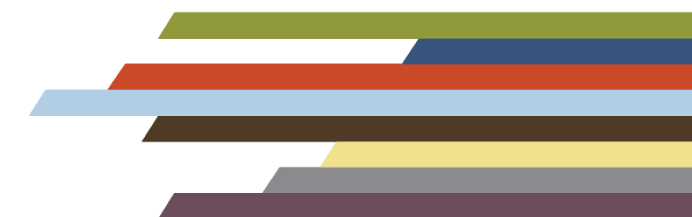Rollins School of Public Health, Emory University

Q & A

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7. Centers for Medicare and Medicaid Services. Re: Medicaid Payment for Services Provided without Charge (Free Care). Published December 15, 2014. Accessed March 15, 2022.

8. Healthy Schools Campaign. State Efforts to Expand School Medicaid Through the Free Care Policy Reversal. Last Updated March 2022. Accessed March 15, 2022.