

## NREAC Medicaid in Schools Proposal

For over thirty years, Medicaid has helped cover the costs for certain medically necessary services provided in school-based settings to children eligible for special education services. Medicaid can also reimburse school districts for health and mental health services delivered in schools to students and for providing other screening, diagnosis and treatment services like vision and hearing screenings, and diabetes and asthma management.

As districts are faced with more children with critical health and mental health care needs and increasing demands for school personnel to provide those services, NREAC has sought a solution that will enable more small and rural districts to participate in the Medicaid program.

In December 2018, we participated in a survey of over 750 school leaders in 41 states about their participation in the school-based Medicaid program and found the complex administrative and paperwork requirements necessary to obtain Medicaid reimbursement significantly hindered school district participation in the program.

Our report outlines how Congress and the Administration must work together to provide States with the flexibility to reduce the administrative burdens that unfairly diminish the amount of reimbursement school districts receive, or worse, create insurmountable barriers that freeze out small and rural schools from even attempting to receive reimbursement school district participation in the program.

**Eighty-four percent of the school districts we surveyed that do not seek Medicaid reimbursement are rural and among rural districts that do not seek Medicaid reimbursement, more than half, 55%, are districts whose enrollment is less than 1,000 students.**



**Of rural districts with enrollments less than 3,000 students, 22% of them do not seek Medicaid reimbursement.**

**More than 20% of rural school districts did not claim Medicaid reimbursement despite having more than 50% of their students eligible for free or reduced lunches, compared with only 3.5% of urban school districts not claiming Medicaid reimbursement with similar levels of poverty.**



**Thirty-seven percent of rural districts indicated that the costs of complying with the paperwork and administrative requirements of the program were why they did not attempt to bill Medicaid.**

**A quarter of rural districts indicated they no longer participate in the program because they lost money due to the cost of complying with the paperwork and administrative requirements.**



### **NREAC ASK:**

Support legislation that mandates that the Centers for Medicaid and Medicare issue new guidance that permits States to change their school-based Medicaid reimbursement process to reduce the unnecessary red-tape and administrative costs that prevents rural/small districts from participating in Medicaid and funding mental health services for kids.

Note: There is no cost for legislation and doesn't change any statute/reg.