

# Community Engagement Session School-Based Behavioral Health & Suicide Prevention Subcommittee

## Medicaid in Schools: Recommendations

**Presented by:**

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**In partnership with:**

Washington State  
Health Care Authority



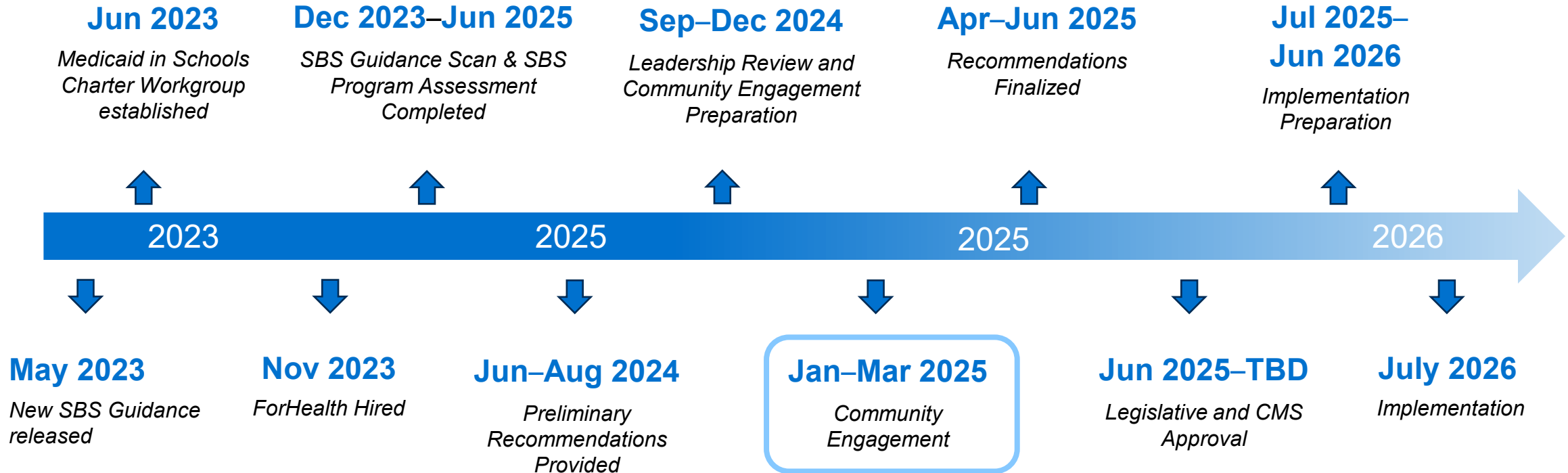
Washington Office of Superintendent of  
**PUBLIC INSTRUCTION**

March 5, 2025

# Agenda

- Medicaid in Schools charter workgroup status
- Review of program assessment findings
- Discussion of preliminary recommendations
- Next steps

# Medicaid in Schools Charter Status



**CMS Compliance Deadline – July 1, 2026**

# Assessment Findings – Behavioral Health Focus

## Few school districts bill for behavioral health services:

- 4 school districts billed Medicaid for behavioral health services provided per a student's IEP (2022-2023 school year)
- 41 students claimed statewide

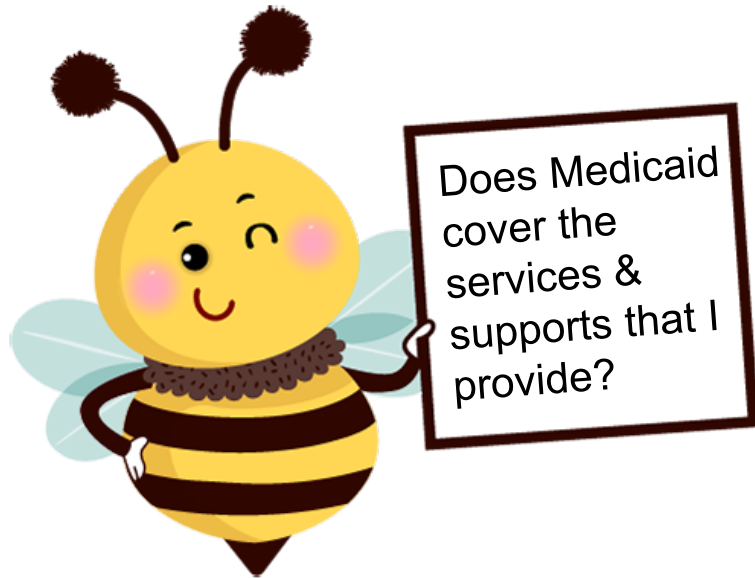
## The most frequently cited barriers to participation:

- Lack of training (53%)
- Administrative paperwork is unmanageable (46%)
- Difficult to understand and complete billing requirements (46%)

The administrative lift disproportionately acts as a barrier for the smallest districts.

# Assessment Findings (2)

The three-pronged reimbursement program discourages LEA participation.



School Behavioral Health  
Staff

Type of Service/ Support	Reimbursement Option	Requirements
Behavioral Health counseling per student's IEP	School Based Health Services Program	<ul style="list-style-type: none"> <li>• Provider One enrollment</li> <li>• Billing codes &amp; process</li> <li>• Documentation requirements</li> </ul>
Behavioral Health counseling and interventions – non-IEP	Managed Care Plans	<ul style="list-style-type: none"> <li>• Managed Care Organization enrollment (5 plans)</li> <li>• Multiple Billing and Payer Requirements</li> <li>• Various Documentation and service authorization requirements</li> </ul>
Case management, care coordination, behavioral health service planning	Medicaid Administrative Claiming Program	<ul style="list-style-type: none"> <li>• Medicaid Administrative Claiming enrollment</li> <li>• Random Moment Time Study Participation</li> </ul>

# Assessment Findings (3)

- Medicaid Administrative Claiming is the **easiest program to participate in**.
  - **73%** of survey respondents indicated the random moment time study is **“somewhat” or “extremely” easy**.
- School Behavioral Health professionals, including psychologists, counselors, social workers, and behavior analysts address many essential health conditions for students with or without IEPs, including:
  - anxiety, depression, ADHD, autism and/or other behavioral health issues,
  - coordination of care/case management and services with community and school providers,
  - early identification of behavioral health issues through screenings and monitoring student behavioral health.
  - Skilled interventions designed to support students with developmental and/or behavioral issues

# Assessment Findings (4)

OSPI licensed Educational Staff Associates (ESAs) are master's level clinicians, but are not Medicaid covered today:

- school psychologists
- school counselors
- some school social workers
- some speech therapists
- school behavior analysts

There is currently no reimbursement path for schools today to these Medicaid-covered services:

- Health screenings
- Medical evaluations/school physicals
- Prevention services
- Applied Behavior Analysis / Behavior Interventions
- Specialized transportation services

# Preliminary Recommendations

## Focus Areas of Preliminary Recommendations

1. Expansion of Medicaid covered services
2. Expansion of Medicaid qualified providers
3. Program simplification and easing of administrative burdens.
4. Development of training, outreach, and LEA resources.
5. Gradual transition/implementation of new program.



# Preliminary Recommendation

## Focus Area 1: Expansion of Covered Students and Services

Expansion of coverage for qualified care performed by school Behavioral Health staff, unrelated to an IEP, but within the scope of each provider's practice standards.

- Behavioral Health screenings (e.g., Panorama, SAEBERS, ASQ, C-SSRS)
- Urgent/Crisis care and unplanned Behavioral Health interventions.
- Psychological, psycho-social, and socio-cultural evaluations and assessments, including initial and re-evaluations to determine special education eligibility.
- Applied Behavior Analysis/Therapy services for students on the autism spectrum.
- Medicaid administrative activity services such as care coordination/case management, referrals and monitoring of health care services.

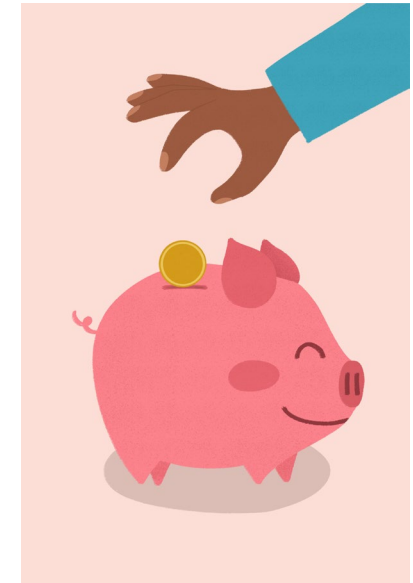
# Preliminary Recommendation (2)

## Focus Area 1: Expansion of Covered Students and Services

- The federal Medicaid program matches state and local education expenditures supporting student health.
- Currently this match is limited to services and students on an IEP.
- This recommendation enables access to federal Medicaid dollars to match state and local expenditures for all student health services.



**Note:** *These recommendations give schools more options, but it remains a school district decision to seek reimbursement for additional services.*



# Proposed Covered Services

Service	Current Coverage	Proposed Coverage
Applied Behavior Analysis Services	Limited coverage – Per IEP only	Full Coverage
<b>Assistive Technology</b>		<b>New Coverage</b>
Audiology	Limited coverage – Per IEP only	Full Coverage
Behavioral Health Services	Limited coverage – Per IEP only	Full Coverage
Case Management	Limited coverage	Full Coverage
Nursing & Personal Care Services	Limited coverage – Per IEP only	Full Coverage
Nutrition Services		<b>New Coverage</b>
Occupational, Physical & Speech Therapy	Limited coverage – Per IEP only	Full Coverage
<b>Prevention Services</b>		<b>New Coverage</b>
<b>Specialized Transportation</b>		<b>New Coverage</b>
Substance Use Services		<b>New Coverage</b>
Vision Services		<b>New Coverage</b>

## Focus Area 1: Expansion of Covered Students and Services

- What concerns do you have about the expansion of covered students and/or services performed by school Behavioral Health staff?
- What considerations and additional resources would be required to support this recommendation?
- What, if any, procedural, operational, and/or regulatory changes are needed to implement these recommendations (e.g., scope of practice, regulations, etc.)?

# Preliminary Recommendation

## Focus Area 2: Expansion of Medicaid-Qualified Providers

- Extend Medicaid coverage to include OSPI licensed Educational Staff Associates and master's level clinicians, such as:
  - school psychologists,
  - school counselors,
  - school social workers
  - some speech therapists
  - school behavioral analysts
- Allow Behavior Analysts and technicians to be qualified providers for ABA therapy services/interventions.

# Proposed Covered Providers

Provider	Current Coverage	Proposed Coverage
Audiologists	✓	✓
<b>Board/OSPI Certified Behavioral Analysts</b>		✓
Licensed Mental Health Counselors, Associates, Psychologists and Social Workers	✓ (limited)	✓
<b>OSPI Certificated</b> Mental Health Counselors, Associates, Psychologists and Social Workers		✓
School Nurses (RN, APRN, LPN)	✓ (limited)	✓
Occupational Therapists & Assistants	✓	✓
Physical Therapists & Assistants	✓	✓
Speech Language Pathologists & Assistants	✓	✓
<b>OSPI Certificated Speech Therapist</b>		✓
Paraprofessionals practicing under supervision of licensed provider	✓	✓

## Focus Area 2: Expansion of Medicaid-Qualified Behavioral Health Providers

- What concerns do you have about the extension of school Behavioral Health staff coverage under Medicaid?
- What considerations and additional resources would be required to support this recommendation?
- What, if any, procedural, operational, and/or regulatory changes are needed to implement these recommendations (e.g., scope of practice, regulations, etc.)?



**Note:** *These recommendations give schools more options, but it remains a school district decision to seek reimbursement for additional services and providers.*

# Preliminary Recommendation

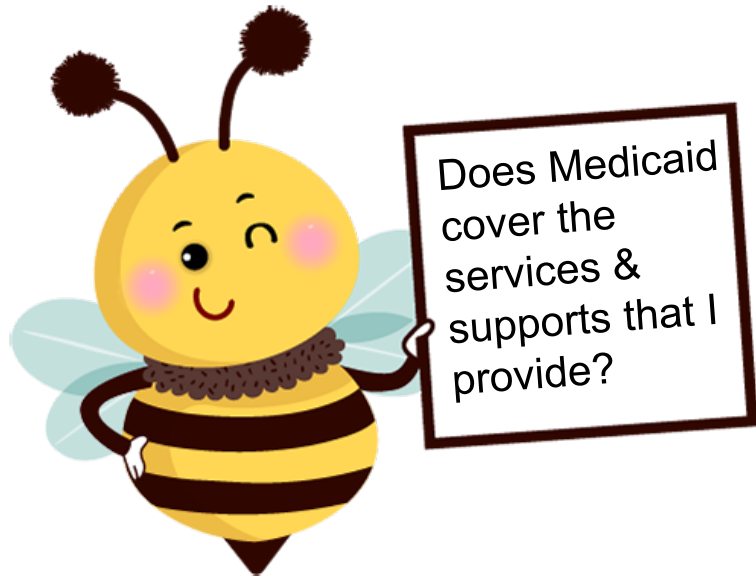
## Focus Area 3: Simplification of Program Administration and Participation Requirements

- Create a comprehensive school-based Medicaid reimbursement program for school districts and ESDs.
- Extend the Random Moment Time Study utilized for the Medicaid Administrative Claiming program to include additional providers.
- Align documentation requirements with practice standards for each provider type.
- Develop a cost-based reimbursement program to maximize federal reimbursement allowable, based on their actual incurred costs.



# One Medicaid Reimbursement Program

Simplify coverage of all services in schools into one program



School Behavioral  
Health Staff

Type of Service/ Support	Reimbursement Option	Requirements
Behavioral Health counseling per student's IEP	Medicaid in Schools Program	<ul style="list-style-type: none"> <li>• Provider One enrollment process</li> <li>• Single set of payer billing requirements</li> <li>• No service pre-authorizations</li> <li>• Medical necessity requirements aligned to school setting</li> <li>• Comprehensive Random Moment Time Study</li> <li>• Cost Reports</li> </ul>
Behavioral Health counseling and interventions – non- IEP		
Case management, care coordination, service planning		

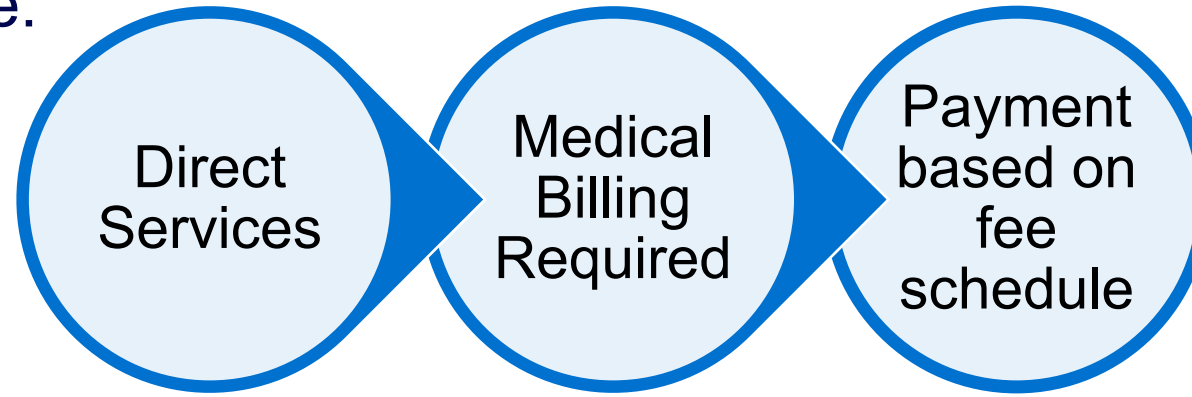
# Random Moment Time Study

Accurately captures the time by school providers delivering services and supporting and ensuring access to health-related services:



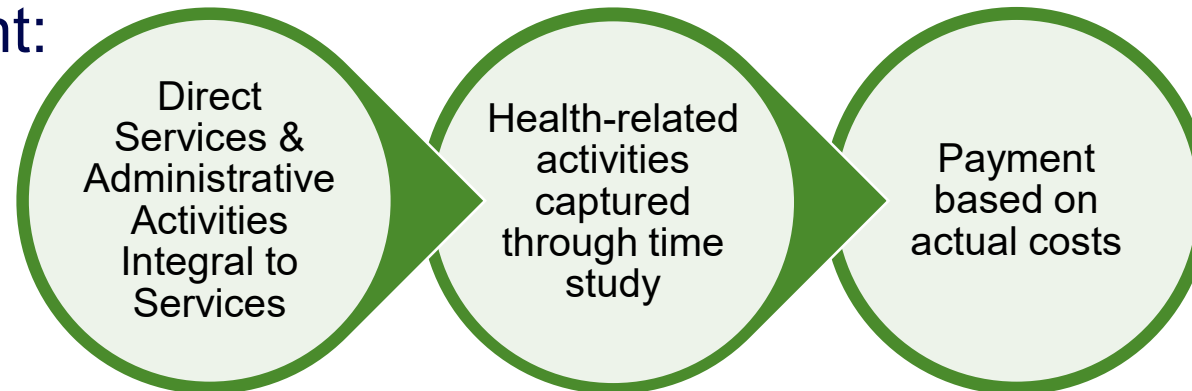
# Reimbursement Models

## Fee-for-Service:



- Focus and burden on billing
- Fees may not accurately reflect LEA's costs

## Cost-Based Reimbursement:



- Captures full array of health-related services and supports
- Reimbursement based on LEA's actual costs

# Cost-Based Reimbursement Model

- Simplified financial reporting
- Each school district's and ESD's reimbursement is based on your actual incurred costs and the percentage of student population that is enrolled in Medicaid.
- This model takes the pressure off “billing” for every service and prioritizes:
  - Answering randomly assigned moments accurately,
  - Ensuring requirements are met for service documentation – aligned to practice standards and school policy.
  - Reimbursement for all activities staff perform to support student health, many of which do not require “billing.”

## Focus Area 3: Simplification of Program Administration and Participation Requirements

- What questions or concerns do you have about the consolidation of Medicaid reimbursement processes for schools under one program?
- What concerns do you have about the carving out of school-based services from managed care?
- What specific concerns or questions do you have about participation in a Random Moment Time Study?

# Preliminary Recommendation

## Focus Area 4: Training, Outreach, and LEA Support

- Develop Medicaid program engagement and training strategy, which includes:
  - Active involvement from OSPI in outreach, training, and support,
  - Development of Medicaid-focused professional learning communities,
  - Alignment of Medicaid billing with existing frameworks for identifying and addressing student health needs, (e.g., Child Find, Case Management, and the Multi-Tiered Systems of Support model).
- Develop recommendations to address school health infrastructure needs that support documentation and Medicaid billing.

## Focus Area 4: Training, Outreach, and LEA Support

- What training and outreach should be prioritized?
- What type of training forum(s) would have the most meaningful impact to support behavioral health and school districts in general?
- What are some immediate questions or concerns that should be considered in infrastructure support/recommendations?

# Preliminary Recommendations

## Focus Area 5: Gradual transition/implementation of new program

- LEAs can participate in the current Medicaid Administrative Claiming program.
  - Training and onboarding in Random Moment Time Study process.
  - Familiarity with financial reporting requirements.
  - Realization of incremental revenue for administrative activities performed.
- Assess financial impact on potential program changes.
- Provide additional feedback and considerations for new program.



## Focus Area 5: Phased Approach to New SBS Program Design

- How do school Behavioral Health staff prefer to engage in collaboration around program requirements and implementation planning?
- Would collaboration with the following associations be an effective way to design helpful resources for school Behavioral Health staff to support training or information sharing on Medicaid reimbursement and/or clinical documentation?
  - Washington's School Counselor Association,
  - Washington State Association of School Psychologists, and/or
  - Washington Association of School Social Workers

## New Medicaid in Schools Program Design Requirements

- Post Engagement Session Survey
- Finalize community engagement session feedback
- Finalize program design recommendations
- Prepare requirements for state legislative and/or federal approval
- Implementation planning

# For more information

On Program Recommendations, contact  
[HCASBS@hca.wa.gov](mailto:HCASBS@hca.wa.gov)

On Medicaid Administrative Claiming Program enrollment,  
contact [MAC@hca.wa.gov](mailto:MAC@hca.wa.gov)

Website:

<https://www.hca.wa.gov/billers-providers-partners/program-information-providers/school-based-services>

School-based services

Information and resources for health care services provided in the public school setting, including public school district Medicaid Administrative Claiming, public school-based health care services, and public schools contracting with managed care organizations.

On this page

- [About school-based services](#)
- [Public school districts Medicaid Administrative Claiming](#)
- [School-based health care services](#)
- [Schools contracting with managed care organizations](#)
- [Division of Behavioral Health and Recovery \(DBHR\) school-based programs](#)

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