Healthy students are better learners. Increasing school-based health services would improve the academic performance of Florida's schools and reduce health and academic disparities based on income and race. A recent federal policy change allows for school districts to draw down funds to pay for school-based health services for all Medicaid-eligible children. But Florida policymakers must act in order for school districts and students to benefit from these changes. This includes amending Florida law and bringing together key stakeholders to identify best practices and develop a strategic action plan for maximizing use of these new dollars.

Executive Summary

Students with access to robust health care services do better in school and life—they have fewer absences, are more likely to graduate from high school and they earn more as adults. School-based health services help students thrive. **New federal Medicaid policies provide Florida school districts an unprecedented opportunity for not only accessing millions more in federal dollars to support these services, but also to give Florida's most vulnerable children greater access to critical health care.**

Of the 2.7 million students enrolled in public schools, over 1 million are covered by Medicaid. Medicaid is a public health insurance program that provides a lifeline of health coverage for 3.8 million low-income Floridians, including over 2 million under age 18. Medicaid covers pediatric services, including periodic health, dental, vision and mental health screenings, diagnosis and treatment. Schools are a key venue for reaching students with Medicaid-covered services. School-based health services meet students where they are, at a critical time and place for their healthy development and readiness to learn.

Multiple studies document the value of providing health services in the school setting, including less absenteeism, better academic performance and better health outcomes. Low-income families often face barriers to getting health services for their children, including losing wages for missed work hours and inflexible schedules. School-based services provide families and their children easier access to care. They also provide important opportunities to reduce health disparities for the most underserved Florida children, including children of color, and improve school-based professional health staffing ratios, which are woefully below recommended standards.

Florida's current infrastructure and funding streams for school-based health services provide an excellent foundation for increasing federal resources to support these services. But tapping into these resources will not happen automatically. To fully realize their benefits, many current Florida policies and practices must be reviewed and revised. This includes:
• Amending Florida statutes and regulations

• Increasing coordination and collaboration among agencies responsible for funding and administering these services

• Increasing technical support for local school districts trying to access and maximize federal Medicaid dollars

• Including family voices to better ensure that unique local community health needs and health disparities are addressed

Medicaid and the Early and Periodic Screening, Diagnosis and Treatment Program: More than a funding stream

Medicaid is a vital public health insurance program for more than 2 million Florida children living in or near poverty. This accounts for nearly half of all children in the state. Beneficiaries include children with complex and intensive medical and mental health needs, infants and toddlers and children in foster care who have been victims of abuse and neglect. A large body of research shows that Medicaid coverage in childhood leads to longer, healthier lives, a greater chance of finishing high school and college and higher economic security as adults.¹

A critical component of Medicaid for children is the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program, which provides a unique pediatric-focused package of services. It is more comprehensive than adult Medicaid coverage and, according to the Florida Agency for Health Care Administration (AHCA), "is designed to assure that children receive early detection and care, so that health problems are averted or diagnosed and treated as early as possible."² Guidance from the federal Centers for Medicare & Medicaid Services notes that, "The goal of EPSDT is to ensure that individual children get the right health care...when they need it...in the right setting."³

EPSDT includes screenings for physical and mental health, growth and development, and diagnostic services and treatment necessary to "correct or ameliorate" health conditions.⁴ EPSDT also covers dental screenings and treatment services, including relief of pain and infections, restoration of teeth and maintenance of oral

EARLY & PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT (EPSDT) COVERS:

<table>
<thead>
<tr>
<th>Medical Services</th>
<th>Examples: visits with doctors or nurse practitioners, clinics and hospital services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental Health Services</td>
<td>Examples: visits with psychologists and behavioral therapists</td>
</tr>
<tr>
<td>Services for Children with Disabilities</td>
<td>Examples: physical &amp; occupational therapy and speech therapy</td>
</tr>
<tr>
<td>Dental Services</td>
<td>Examples: sealants, fluoride varnish and fillings</td>
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<tr>
<td>Glasses or Hearing aids</td>
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<tr>
<td>One-on-one Aides for Home or School</td>
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<td>Vaccines</td>
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health. Notably, the standards for determining medical necessity under the EPSDT program are much broader than those used in commercial health insurance plans.

School-based health services can be a significant component of the larger EPSDT framework for serving Florida’s Medicaid-eligible children.

**The value of school-based health services**

Over 1.3 million Medicaid-enrolled Florida children are school-aged. At least four out of 10 students are covered by Medicaid in 49 school districts (e.g. in Miami/Dade, 51.1 percent of students are covered) and in some rural districts, the share of Medicaid-covered students is more than 60 percent (e.g., DeSoto, 67.7 percent).

Schools are an ideal venue for giving children access to health care. The Association of School Superintendents reports that there are substantial health and educational benefits in reaching children "where they are."

Schools are an ideal place to offer these services because they are the central hub for all children… To ensure students are ready and able to achieve academically, schools must be poised to meet the myriad health, emotional and social needs that can negatively impact student performance. Simply put, schools are involved because this is where the children are.

Likewise, the national Healthy Schools Campaign notes that students with untreated chronic illnesses are more likely to be absent from school and fall behind academically. Healthy students with access to primary care in schools see improved attendance and academic achievement.

A strong school nurse program can also have significant benefits for students, teachers and families. According to a 2016 report to the Orange County School Board, having a school nurse contributes to the following outcomes:

- Teachers have fewer distractions from teaching
- Teachers and principals gain additional time during the day to focus on education rather than health
- Immunization rates, vision correction, and identification of life-threatening conditions increases
- Excess health costs are prevented
- Parents spend less time away from work

School-based services also positively impact utilization. Some studies report that youth were 10 times more likely to use school-based health services for behavioral health than visit outside medical providers.

Difficulties that families face accessing these health services, particularly low-wage working families, can be alleviated through school-based health services, as opposed to traditional channels. These families frequently lack transportation and parents face difficulties getting time off from work to take their children to medical appointments.
School-based health services can help reduce health disparities for Florida's most vulnerable children

Evidence shows that school-based services address health disparities and promote health equity, particularly in low-income communities. Schools provide significant opportunities to reach Florida's most vulnerable children—those in poverty and children of color.

Based on the National Survey of Children’s Health, parents with incomes below the poverty level are more likely to report that their child is in poor or fair health; has a high risk of developmental, behavioral or social delay; and has one or more conditions that consistently affects their daily activities compared to children in families with higher income. The conditions that children in low-income families face include:

- Higher rates of low birth weight, which means these children often need extra care and services to catch up developmentally.
- Higher rates of asthma, heart conditions, hearing problems, digestive disorders and elevated blood lead levels.
- Higher risk factors for disease, such as childhood obesity, which is a strong predictor of obesity as an adult.
- Higher risk of mental health and substance abuse disorders. The Adverse Childhood Experiences Study (ACES) shows that over half of U.S. children with ACEs live in homes with incomes less than 200 percent of the poverty level. Compared nationally, Florida children have significantly higher rates of ACEs.

Florida children of color fare even worse on health and mental health indicators. They have higher rates of asthma, obesity, teen births and death. They are more likely to suffer from chronic conditions related to trauma exposure.

Yet, Black and Hispanic children receive significantly less behavioral health care compared to their non-Hispanic white peers and are less likely to attend schools with resources to help them. They are also more likely to be disengaged from school, as Black children have higher rates of suspensions and expulsions, starting in preschool. More mental health treatment for these children may lead to reductions in incarceration rates.
Low-income children and children of color are also disproportionately affected by tooth decay or dental cavities. Only one in five school-aged children from low-income families receives dental sealants to prevent tooth decay or dental cavities. Furthermore, 40 percent of Mexican American children aged 6–8 years have untreated tooth decay, compared with 25 percent of non-Hispanic white children.25

Medicaid serves a disproportionate share of children of color—27 percent of Black and 38 percent of Hispanic children in Florida.26 Medicaid and EPSDT is an essential tool to reduce health disparities. New federal Medicaid funding policies offer great potential for providing Florida’s most vulnerable children access to health benefits they need to thrive in school and grow into successful adults.

**Federal policy changes provide Florida new opportunities to expand school-based health services**

Medicaid is a great financial deal for the state. It’s a federal-state partnership with open-ended federal funding. The current funding structure gives Florida the flexibility to respond to unforeseen increases in health care costs that correspond to changing demographics, new ways of delivering care, new medical technology and public health emergencies, such as the opioid crisis. Thus, if the state incurs higher Medicaid costs in a year, it will receive increased federal funding.
Medicaid spending in schools makes up only 1 percent of Florida’s total $28.2 billion Medicaid budget for fiscal year 2018-19, yet it is a significant source of funds for school health services. But notably, compared to other states, Florida’s Medicaid reimbursement for school-based services is significantly lower. In 2015, total Florida Medicaid spending in schools was $124.72 million. Compare this figure to states of comparable or smaller size: Texas’s total was $444.38 million, more than three times Florida’s spending. Spending in Illinois ($286.39 million) and New York ($273.56 million) was more than double Florida’s. Roughly half the Medicaid spending on schools comes from the federal government, while the other half is identified at the local level. Florida school districts can tap into additional Medicaid funding through the certified match program, described further below.
Since 1988, Medicaid has permitted reimbursement to schools for services provided to children with disabilities under the Individuals with Disabilities Education Act (IDEA) through an individualized education plan (IEP) or individualized family service plan (IFSP). Until recently federal policy prohibited school districts from receiving Medicaid reimbursement for health services provided to other Medicaid-eligible children due to the federal "free care policy."

That policy prohibited Medicaid from paying for services available without charge to everyone in the community. Since school health providers serve the entire school community, many of the services they provide to Medicaid beneficiaries were previously not eligible for reimbursement due to the free care policy.

These restrictions were successfully challenged and as a result new federal policy was issued in December 2014. Now, Medicaid reimbursement for school-based health services is allowed when provided to any Medicaid beneficiary. The goal of this policy change "is to facilitate and improve access to quality healthcare services and improve the health of communities." 29

Thus, Florida school districts now have new opportunities to greatly expand school-based health services.30 But implementation of the new federal policies is not automatic and require states to affirmatively act to realize these new benefits. Multiple efforts are underway nationally and among the states to do so.31
Florida’s statutes must be updated in order to access federal funds

Florida law already authorizes school districts to certify state or local funds to meet Medicaid match funding requirements. This certified match allows school districts to receive federal Medicaid reimbursements for a broad range of health-related school-based services including, but not limited to, physical, occupational and speech therapy services, behavioral health/mental health and transportation services. In 2016, the Legislature broadened the parameters of the certified school match program to authorize participation by charter and private schools.

But the now outdated federal policy is incorporated into Florida law, which still limits Medicaid funding to services provided to children with an IEP who qualify for the exceptional student education program.

However, two essential steps have been taken by the state Medicaid agency—the Agency for Health Care Administration (AHCA)—to allow for more Medicaid support for school-based services:

1. The Medicaid state plan was updated and approved by the federal government on October 2, 2017, to reflect the federal policy change.

2. On April 6, 2018, AHCA held a public workshop to review draft rule amendments to incorporate this change. The next step is for AHCA to formally publish a proposed rule and provide an opportunity for a public hearing and written comments.

However, another critical step necessary to advance this initiative is amending Florida statutes, which still limit Medicaid reimbursement for health services provided only to Medicaid eligible children who have an IEP. This limitation needs to be lifted so all school-aged Medicaid beneficiaries can benefit from increased federal resources available to support school-based health services.

Conclusion and policy recommendations

The need for additional school-based health services, particularly for Florida’s most vulnerable and underserved children, remains dire. New federal Medicaid policies create unprecedented opportunities to draw down more federal funding to support and expand these services. But it should also be a catalyst for stepping back and evaluating how current school-based health services can be improved.

In considering these new opportunities, it’s critical to keep in mind that Medicaid is much more than a funding stream. It covers EPSDT, a comprehensive package of child/youth focused health benefits particularly tailored to meet the needs of low income and medically underserved children. Providing true access to high quality EPSDT services through a school-based setting is key to successful health and educational outcomes for these children.

While Florida has a solid foundation for the provision of school-based EPSDT services, the landscape is complex and requires strong coordination and collaboration among multiple agencies and community partners. Florida has taken some preliminary steps to implement changes, but much work remains. Amendments of policies and practices are necessary to maximize these new opportunities.

The Institute specifically recommends:

1. Amending Florida statutes and rules to conform with the new federal policies that eliminate Medicaid reimbursement restrictions for school-based health services.

2. Convening a statewide workgroup with representation from AHCA, DOE, DOH, school districts, parent groups, provider associations and other community partners. The workgroup should be charged with further investigating best practices, making recommendations and developing a strategic action plan for maximizing opportunities to leverage state and local dollars to draw down additional federal Medicaid funds for school-based health services. It’s particularly timely to focus on new state mental health dollars flowing to all school districts. Some specific questions that should be considered by the workgroup are:

   o How can AHCA, DOE and DOH better coordinate and collaborate to improve the overall system of providing school-based health services using new federal Medicaid dollars?
Where in the state are the biggest gaps in the availability of school-based health services, including staffing related to nursing, psychologist and social work services? Can new Medicaid funding help fill those gaps?

Are there health services (including screening, diagnostic and treatment services) already being funded by the state, school districts, health departments or private entities that could be supported by new Medicaid funds?

Are there other services not currently included in AHCA’s certified school match program that should be added? For example, current policies do not include reimbursement for oral health care.

What technical support is needed, particularly for those school districts with little or no experience accessing Medicaid funding for these services?

3. Targeting new resources toward narrowing health disparities among Florida children and youth.

4. Soliciting parent, family and caregiver input at both the state and local levels, for example, through school health advisory committees, to help identify the unique challenges, barriers and needs of underserved communities.

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4 Whitener, K., EPSDT: A Primer on Medicaid's Pediatric Benefit, Georgetown University, Health Policy Institute, Center for Children and Families, March 2016. Accessed via: https://ccf.georgetown.edu/2016/03/04/what-is-epsdt-medicaid-benefit-big-idea/


7 This estimate includes a small number of children who are enrolled in the Children’s Health Insurance Program (CHIP) covering children from families with income above Medicaid limits. About 200,000 school-aged children statewide are enrolled in CHIP.

8 Swerlick, A., New Data Show That All Florida School Districts Have High Percentages of Children Covered by Medicaid or CHIP, February 2018.
10 Free Care Policy Fact Sheet, Healthy Schools Campaign, Accessed via: https://healthyschoolscampaign.org/?s=free+care
13 Ibid.
15 Supra at n. 13, p. 4.
16 Supra at n. 13, p. 3
17 Ibid.
18 Centers for Disease Control, Adverse Childhood Experiences (ACEs) Study. Accessed via: https://www.cdc.gov/violenceprevention/acestudy/index.html
20 Ibid.


§409.9072, Florida Statutes. Accessed via: http://www.leg.state.fl.us/statutes


Sections 409.9071 & 409.9072, Florida Statutes need to be amended to allow Medicaid reimbursement for school-based health services provided to any Medicaid-eligible child.

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