

Healthy Students, Promising Futures

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Partnering for Success: Collaborating to Improve and Expand School Medicaid

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Notes About Language

Throughout this document, the term “school health services” refers to the full range of services students receive in schools to support their physical, behavioral and mental health.

The terms school district (or district) and local educational agency (LEA) are used interchangeably.



Introduction

This brief provides partnership-building ideas and strategies for state Medicaid and education agencies that are working to expand school Medicaid reimbursement beyond services included in an Individualized Education Plan (IEP).

The [2023 school Medicaid guidance](#) published by the Centers for Medicare and Medicaid Services (CMS) emphasizes the importance of collaboration among state Medicaid agencies (SMAs), state education agencies (SEAs) and school districts (also referred to as local education agencies, or LEAs) in developing and implementing a robust state school Medicaid program. Other government agencies — as well as statewide professional associations, children’s health advocacy groups and other potential partners — also play an important role.

Establishing deliberate, inclusive mechanisms to engage partners and harness their perspectives and expertise can help states bolster school district participation and buy-in, expand student access to health services and increase reimbursement levels for states and school districts.

Since 1988, Medicaid has provided billions of dollars each year to support school health services. Expanding and strengthening school Medicaid can provide additional funds to help states and districts improve student health and learning.

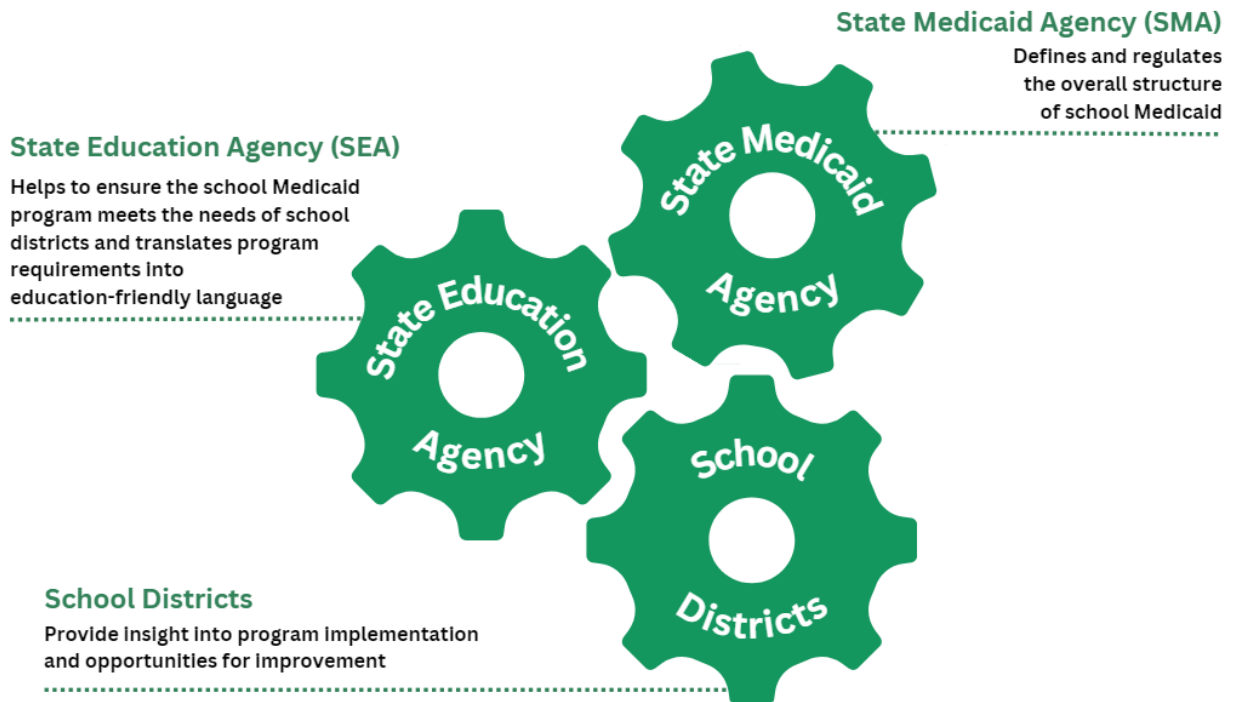
For an overview of school Medicaid, view Healthy Schools Campaign’s companion brief, [“Getting to Know Your State’s School Medicaid Program: Overview for State Education Agencies and Other Partners.”](#)

State Medicaid Agency, State Education Agency & School District Partnership

In states where school Medicaid functions most effectively and efficiently, the SMA and SEA work in close partnership to lead the program with input and consultation from school districts. Communication and collaboration among partners can create a solid foundation for maximizing school Medicaid opportunities.

States working to expand school Medicaid reimbursement beyond IEP services (commonly referred to as “school Medicaid expansion”) find collaboration especially beneficial. Though it is up to SMAs to negotiate with CMS about changes to the school Medicaid program, SEAs can provide crucial support for the additional advocacy, communication and training efforts needed for expansion. Including LEAs in this process ensures that program changes are designed to meet the needs of schools.

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State Medicaid Agency Role

The state Medicaid agency, with approval from CMS, has the authority to define and regulate how school Medicaid operates in the state. Agency staff have extensive knowledge of Medicaid policy and experience working with CMS.

SMA responsibilities include:

- Determining which services are reimbursable in a school setting and which school-based providers are eligible to bill Medicaid
- Establishing the methodology for reimbursing school districts
- Developing procedures for how districts submit claims
- Allocating and disbursing Medicaid funds
- Monitoring district compliance with program requirements
- Issuing regulatory guidance
- Providing training and technical expertise on the Medicaid program

The SMA is also responsible for staying current with federal school Medicaid guidance and can help identify opportunities to improve or expand the state's program. Changes to a state's Medicaid program are usually done via a state plan amendment (SPA), which requires CMS approval. The SMA is responsible for managing the SPA process, including drafting and submitting the necessary documents to CMS, responding to questions from CMS and negotiating on behalf of the state.

State Education Agency Role

As the leadership and oversight agency for school districts, the SEA has both a responsibility and incentive to ensure the success of the school Medicaid program. While school Medicaid is typically an extremely small component of a state's overall Medicaid program, Medicaid is often the largest source of funding for health services in schools.

For students enrolled in Medicaid who receive IEP services under the Individuals with Disabilities Education Act (IDEA), the state education agency is responsible for additional Medicaid program requirements. View Medicaid.gov's [U.S. Department of Education and School-Based Services](#) section to learn more.

The SEA is the recognized source of authority and has a direct line of communication with schools. Agency staff understand the needs and constraints of those working in the school environment and can translate Medicaid requirements into school-friendly language. Staff also have expertise in education and training.

Drawing on these strengths, the SEA can play a key role in the following:

- Promoting the school Medicaid program and encouraging schools to participate
- Reviewing all guidance and training developed by the SMA to ensure it will meet the needs of school district staff
- Disseminating guidance and information to schools
- Delivering or coordinating training and technical assistance to school staff and helping to customize trainings for different staff roles and responsibilities
- Identifying needs and challenges that districts encounter with the program and working with the SMA to develop solutions
- Explaining to the SMA how policy changes would impact students and school districts
- Serving as the liaison between the SMA and school districts and advocating on behalf of districts

Staff within SEAs that focus on special education, safe and supportive schools and school health all have important perspectives to contribute to the school Medicaid program's success.

School District Role

School district administrators and staff are essential to the successful implementation and management of Medicaid programs. Superintendents, school board members, financial officers, legal counsel, special education directors, school health providers, billing specialists and unions are all involved with school Medicaid. They should have access to information and training tailored to their role.

District leaders and staff can partner on improving school Medicaid by:

- Providing feedback and suggesting improvements to help inform school Medicaid expansion
- Sharing successful implementation strategies with the SMA and SEA — and with other school districts and partners such as state professional associations

- Encouraging other districts to participate and demonstrating the value of the program
- Advocating for expansion, coverage for additional services and providers, and/or other opportunities to improve services for students
- Serving as reviewers for guidance and training materials to ensure they are understandable and useful for district staff

State Example: Virginia

In Virginia, LEAs collaborate with the state Medicaid and education agencies to develop and deliver trainings for school districts on such topics as direct services, transportation services and the random moment time study.

The SEA hosts the trainings, and LEA representatives present the information to their peers in discipline-specific terms. This is essential to helping school district staff understand the requirements of the school Medicaid program. The SEA and SMA also jointly maintain a [school-based services website](#) with information and resources for districts.

State Medicaid & Education Agency: Shared Responsibilities

To increase participation in school Medicaid, the SMA and SEA can collaborate on providing guidance, and streamline and align requirements to minimize the administrative burden on school districts. For example, documentation and forms can be structured to meet Medicaid, Individuals with Disabilities Education Act (IDEA) and Family Education Rights and Privacy Act (FERPA) requirements.

Similarly, the two agencies can partner to better [align licensure and certification requirements](#) for school-based health providers and offer districts one joint set of guidance. The SMA and SEA also can coordinate collecting and analyzing data to monitor the program and demonstrate its impact, and they can co-lead school Medicaid committees and partner engagement efforts.

Institutionalizing the Partnership

IDEA ([section 330.54](#)) requires an interagency agreement or other mechanism for coordination to be in place between the state Medicaid and education agencies. This agreement can be leveraged to institutionalize and sustain a broader partnership by adding language to define each agency's roles and responsibilities in supporting the school Medicaid program, including how they will partner to implement school Medicaid expansion. Similarly, many states find it helpful to establish a data-sharing agreement between the SMA and SEA.

Establishing a position within the SEA to focus on school Medicaid is ideal. School Medicaid is a complex program, and state agency staff are extremely busy. Having a dedicated SEA position allows a staff member time to develop expertise, build partnerships and help maximize the program's potential. As of 2022, more than half of all states had at least one school Medicaid

position in their SEA. States have found that increased Medicaid revenue generated as a result of having additional program support outweighs the cost of the position.

Many states also have established an advisory committee or other mechanism to formally engage the SEA and school districts in the school Medicaid program.

State Example: Oregon

In 2017, the Oregon legislature directed the Oregon Department of Education (ODE) and Oregon Health Authority (OHA) to collaborate on a [pilot project](#) to support at least nine school districts or Education Service Districts (ESDs) in implementing a school Medicaid program. This legislation created a strong partnership with sustained collaboration between ODE and OHA for training, technical assistance and resources, and for fostering school district engagement.

- ODE and OHA co-facilitate the School Medicaid Core Team, which addresses implementation challenges and develops training and resources for the field, as well as a larger school Medicaid advisory committee tasked with overall program improvement and increasing billing and school district participation statewide.
- ODE and OHA host an annual school Medicaid training summit and provide joint training and onboarding meetings with school districts.
- ODE and OHA co-create guidance documents, which are hosted on ODE's [Medicaid in Education](#) website and shared via ODE's school Medicaid listserv.
- ODE and OHA program staff hold weekly meetings to address issues that arise, co-create responses, work on presentations, provide status updates, and align health and education work.

Other Key Partners

While the SMA, SEA and school districts are the lead partners in school Medicaid, numerous other organizations can contribute to the program's success. States that engage with these partners to coordinate communication, establish feedback mechanisms, and align programs, policies and initiatives will not only strengthen school Medicaid but will create an infrastructure to improve school health services more broadly.

State Government Agencies

State departments of health, human services and/or mental health can play an important role in advancing school Medicaid.

These agencies can provide:

- Expertise and data on key health concerns that need attention in schools — and effective services and interventions to address them
- Perspective on how Medicaid funds can best be used to support student health
- Knowledge of other programs, policies and funding sources that can be aligned and/or leveraged to support health services in schools
- Established relationships and experience working with schools and other partners

Other decision-makers and groups within state government that can be helpful include the state school nurse consultant, children’s cabinet members, state legislative and executive staff with interests in children’s health and/or education, and other special task forces, committees or initiatives on child and family health and overall public health. In states seeking to expand school Medicaid, they can be critical advocacy partners.

Professional Associations

Statewide professional associations are key school Medicaid partners. Associations of providers that deliver health services in schools include state associations of school nurses, speech-language pathologists, occupational therapists, physical therapists, school social workers, school counselors, school psychologists and school-based health centers. Most states also have associations representing teachers, school business officials, special educators and school administrators.

Professional associations are seen as a key source of information and serve as a capacity-building resource that their members turn to with questions about school Medicaid. SMAs and SEAs can greatly benefit from the perspective of these associations and their connections with school staff. It is important to coordinate with them to ensure consistent messaging.

Professional associations can:

- Serve as champions for school Medicaid and explain the program’s value to their members
- Disseminate information about school Medicaid with messages tailored to their membership
- Provide training and support for Medicaid implementation and/or expansion
- Share feedback on implementation challenges and how proposed changes would impact their membership
- Identify and communicate suggestions for improvement

Managed Care Organizations

Medicaid Managed Care Organizations (MCOs) are private health insurance companies that work with Medicaid to provide health insurance, contract with providers and handle billing and reimbursement.

In most states, school-based Medicaid services *are not* handled by MCOs; instead, the state Medicaid agency directly reimburses districts. This is commonly known as being “carved out.”

In states where school-based Medicaid services are included in the MCO contract, or “carved in,” LEAs must contract with the MCOs their students are enrolled in to seek reimbursement. For

districts with students in multiple MCOs — each of which has its own contracting, documentation and reimbursement procedures — this can be a tremendous barrier. It is important for state Medicaid and education agencies in these states to support districts in managing these complexities and reducing the administrative burden.

MCOs, SMAs, SEAs and other partners can work together to:

- Streamline contracting and reimbursement procedures to reduce the administrative burden on school districts
- Increase consistency across MCOs in contracting and reimbursement procedures
- Provide robust guidance, support and assistance to districts in navigating MCO partnerships

Vendors

Many states and school districts rely on vendors to support school Medicaid billing and claiming. Vendors often are a primary source of information about school Medicaid, and it is important to ensure they have current and correct information.

Vendors can:

- Perform the administrative functions of collecting claims and administering billing methodologies for SMAs
- Manage billing for school districts and help reduce the program's administrative burden
- Implement systems to protect against audits
- Assist with developing or reviewing guidance and training materials
- Provide information and training to school districts and state agencies
- Share feedback on common challenges within schools

Other Potential Partners

- **Community and statewide organizations** such as nonprofits, advocacy groups and health-focused organizations can provide support with communications, training, advocacy and/or policy proposals, particularly in states seeking to expand school Medicaid.
- **Healthcare provider associations** (e.g., state chapters of the American Academy of Pediatrics and American Academy of Family Physicians) as well as local healthcare systems and clinics can provide insight into student health needs and support care coordination between schools and primary care providers.
- **State licensing boards** that oversee health providers working in schools can provide input on guidance and trainings.
- **Technology companies** can help develop and implement digital solutions for program management, data tracking and communication.
- **Local government leaders** such as city councils and mayors may be interested in supporting expanded access to school health services and increased funding for schools.
- **Families** can serve as highly effective advocates for expanding and improving school Medicaid to provide needed health services in schools.
- Although they may not serve as formal partners, **other states** with established successful Medicaid programs can be helpful sources of information and guidance, as can organizations working to advance school Medicaid, such as the [National Alliance for Medicaid in Education](#) and [Healthy Schools Campaign](#).

Partnership-Building Tips

Building strong partnerships takes time and intentional focus. Whether convening a large group of partners or focusing on building the relationship between state Medicaid and education agencies, the strategies outlined below can help establish a solid foundation for collaboration.

✓ **Build a Common Language and Understanding**

All partners come to the table with their own background knowledge and vocabulary. Medicaid and education partners use distinct terms and acronyms and may refer to the same concept in different ways. For example, education partners often use “Medicaid-eligible” to refer to students enrolled in Medicaid receiving Medicaid-eligible services, while health partners use the same term to refer to children who are eligible for, but not necessarily enrolled in, the Medicaid program. Developing materials such as a common acronym list or glossary can be helpful.

To improve collaboration, it’s essential to develop a shared understanding of the value of the school Medicaid program, how the program operates in the state, important health concerns in schools, district-level needs and challenges related to school Medicaid and potential opportunities for improvement or expansion.

Before holding a first meeting, partners should explore the information in the Tools & Resources section of this document as well as state-specific guidance on school Medicaid. The questions listed in Healthy Schools Campaign’s companion brief, “Getting to Know Your State’s School Medicaid Program,” [LINK TK] can be used as a discussion guide to help establish a common knowledge base during the first meeting. Partners may also wish to provide each other with cross-trainings to facilitate an understanding of their perspectives, priorities, responsibilities and challenges.

✓ **Define Shared Goals and Activities**

It’s important to identify shared goals for the school Medicaid program and articulate what each partner hopes to achieve through collaboration. Although partners may have distinct priorities and objectives, agreeing on a shared goal or vision is the starting point for effective collaboration and provides common ground for resolving any conflicts or disagreements.

As a next step, developing a joint work plan, action plan or set of shared activities can help foster true collaboration. Working on such activities increases engagement and heightens the partnership’s value. Most importantly, it propels advancement for school Medicaid to improve children’s health outcomes.

✓ **Clarify Roles and Responsibilities**

Just as it is important to have clarity on shared goals, it is also helpful to define each partner’s role in achieving that goal. Discuss the strengths and resources that each partner brings to the collaboration, as well as their capacity and limitations. For example, some partners have restrictions on their ability to advocate for policy changes, while others specialize in this area.

States looking to improve and strengthen their school Medicaid program may wish to join the national [Healthy Students, Promising Futures Learning Collaborative](#) led by Healthy Schools Campaign. The Collaborative provides expertise to state agencies and other partners, opportunities to learn from other states, and a forum to discuss specific challenges and opportunities.

✓ **Hold Regular Meetings**

Regular meetings are essential to achieving shared goals and to building understanding and trust. Meetings encourage interpersonal connections and can be the most effective way to share information, provide updates and make joint decisions. Scheduled in advance, meetings can also serve as an accountability mechanism for individuals to complete their work.

Periodic in-person meetings, combined with phone or video meetings, are recommended. To be most effective, meetings should have a designated facilitator and a clear agenda, with concrete action items identified during the meeting.

✓ **Establish Clear and Open Communication**

A primary reason for partnering on school Medicaid is to ensure school districts receive consistent and clear messaging. To achieve this, partners must identify efficient ways to share communications and establish a regular flow of information. A process for quickly vetting communications to schools may be helpful.

It is also critical to establish mechanisms to gather input and questions, engage partners in discussing potential policy changes, and elicit feedback on school district guidance and trainings. Opportunities should exist for partners to provide suggestions on the collaboration process itself.

✓ **Celebrate Achievements and Milestones**

Improving school Medicaid can be a long-term and often challenging effort. To maintain momentum, acknowledge and celebrate achievements and milestones along the way. This helps to reinforce the positive impact of collaboration, demonstrates appreciation for the contributions of partners, and sustains partner engagement.

Additional Resources

Healthy Schools Campaign Publications

- [Getting to Know Your State's School Medicaid Program: A School Medicaid Overview for SEAs and Other Partners](#)
- Interagency Agreement: A Key Partnership Tool for State Medicaid & Education Agencies [LINK TK]

- [A Guide to Expanding Medicaid-Funded School Health Services](#)
- [School Medicaid Expansion: How \(and How Many\) States Have Taken Action to Increase School Health Access and Funding](#)
- [How to Help States and School Districts Leverage Federal Medicaid Funding: A Guide for School Health Advocates](#)
- [Understanding School Medicaid: A Primer for Chief State School Officers](#) — *with Council of Chief State School Officers*
- [Medicaid 101 for School Superintendents](#) — *with AASA, the School Superintendents Association*

View more related resources at [Healthy Students, Promising Futures](#).

Healthy Schools Campaign

Healthy Schools Campaign (HSC) engages stakeholders and advocates for policy changes at local, state and national levels to ensure that all students have access to healthy school environments, including nutritious food, physical activity and essential health services, so they can learn and thrive. HSC's Healthy Students, Promising Futures initiative supports states and school districts in expanding access to Medicaid-funded school health services. To learn more, visit healthyschoolscampaign.org and healthystudentspromisingfutures.org.

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