

# Financing Clinical Services

How many more students could you support by leveraging Medicaid dollars? Develop a picture of how this project could unlock resources for your students.

## INTRODUCTION

Educators have long recognized the degree to which student's emotional and behavioral challenges can interfere with individual student learning and disrupt educational environments. Even as schools increase the resources they invest in social-emotional curricula and initiatives to create positive learning climates, school leaders find that many students need more intensive clinical supports that are beyond the staffing and budget capacity of schools. In the absence of needed, timely interventions, student challenges increase and can lead to crises that take a tremendous toll on schools, students, and families.

In response to these challenges, a growing number of districts throughout the country are establishing innovative partnerships that bring providers of community-based mental health services into schools. By partnering with licensed mental health agencies that are able to bill Medicaid and other insurance plans for services, schools are able to bring clinical services into schools at minimal cost, leveraging significant resources to support positive academic outcomes for high-need students. These partnerships have the potential to create win, win, win results - enabling schools to better achieve outcomes for students, allowing mental health service providers to access clients in more consistent and connected ways, and increasing the overall well-being of students and their families.

District administrators interested in establishing partnerships for clinical services must take three key steps:

- 1 Define service and support needs
- 2 Engage needed partners
- 3 Identify sources of financial support

Each of these steps is described below, along with background information and considerations for district administrators.

### Leveraging Resources for Clinical Services in Providence

In recent years, Providence Public School District (PPSD) has focused on building a strong Multi-Tiered System of Supports, including: hiring a district coordinator for SEL; passing an MTSS policy prioritizing social and emotional skills and requiring that all students are screened for SEL skills annually; and partnering with Rhode Island's Children and Youth Cabinet (CYC) to coordinate implementation of evidence-based programs. Their work helped them to identify the critical need for clinical supports in their schools. In 2018, they funded CYC with \$100,000 in Title I funding to develop and coordinate partnerships for clinical services in schools.

That initial \$100,000 investment has leveraged over \$800,000 in Medicaid funding for clinical services, with X students receiving clinical supports in the 2018/19 school year.

# 1

## DEFINE SERVICE AND SUPPORT NEEDS

Before administrators can identify the right partners and leverage resources to support clinical services, they must clearly define service needs as well as the administrative supports needed to make clinical services successful. Key questions to consider include:

### Who is the target population?

Seek the input of teachers and support staff to generate an estimate of how many students need clinical services at each grade level.

### What type of clinical services? For how long?

Include information on what types of issues students need support for. A summary of this information will be helpful in identifying appropriate partners and determining what the particular clinical interventions are that will best serve students within the school context.

### What administrative supports will be needed?

In addition to the direct service needs, it is critical to identify the administrative supports that will be necessary to make clinical services successful. Administrative supports to consider include referral processes as well as processes for ongoing communication and coordination between school staff and clinicians, and support for outreach and communication with families. District leaders must also plan for how they will track data on who receives services, what services they receive and what results are achieved.

# 2

## ENGAGE NEEDED PARTNERS AND CHAMPIONS

Once district administrators have outlined the service needs of their students, they can identify and engage the partners they need to succeed in their efforts. External partners, such as a mental health provider, are critical. It is also important to identify partners and champions among school staff who will play essential roles in making the services successful. District leaders should consider conducting outreach to each of the following stakeholder groups as they design their clinical services partnership:

### School staff partners

It is important to consider who the particular players are within the school system who will be essential to success. Even if administrators and school board members are supportive of a clinical partnership, success will depend on educating and engaging the individuals in the school community who will make referrals, provide records and information to the clinical provider, and secure parent permission for services. Key student support and administrative staff should play an active role in designing the partnership. Teachers and parents should also provide input early in the process, as their support will be essential for referrals to services, and they must understand the value of services that may cut into academic delivery time for some students.

### Clinical partners

The starting point for a good clinical partner is to identify a Medicaid eligible provider, offering Medicaid eligible mental health services to a population of children and families similar to those served in the school district. Ideally the clinical partner is an agency that is already billing Medicaid and other insurance for mental health services they are delivering in the community so they have the systems in place to bill for Medicaid as well as private insurance. It is also helpful if clinical providers have experience partnering with various agencies in the community, and if they have a continuum of services available. Agencies with community partnerships and a continuum of services can help to ensure successful transitions to more intensive treatment interventions for students that needs them (such as day treatment or residential programs).

### Questions to Ask of Potential Clinical Partners

- What is your experience delivering services in our community and to our target population?
- Experience in our focus community?
- Existing partnerships with schools we work in?
- Experience offering mental health services to children and youth? To families?
- Existing partnerships or relationships with the county mental health agency or the managed care organization managing Medicaid?
- What ability do you have to leverage Medicaid and other funding sources to support services?
- Are you a Medicaid eligible provider and what proportion of clients that you currently serve are Medicaid eligible?
- Have you had challenges with Medicaid billing or payments or are there challenges you would expect in the school setting?
- Do you bill private insurance companies for services? What insurance companies do you currently bill?
- Would you anticipate collecting co-pays in the school setting?
- What support would you need from school staff in order to bill for Medicaid and other insurance and collect co-pays in the school setting?
- Do you have access to other funding streams to support services for families who are not Medicaid eligible?
- Would you anticipate needing supplementary funding from the school district in order to deliver services?

### Medicaid managed care organization

In many states children's behavioral health services under Medicaid are managed by a local managed care organization. Establishing a relationship with this entity and educating them about plans for clinical services in schools can help districts to maximize Medicaid for clinical services. Mental health service providers will likely already have relationships with the managed care entity and can help school administrators to establish relationships there. Likewise, managed care organizations can refer school administrators to mental health services providers offering clinical services in their community.

### State or local mental health agency

Depending on the organization of the state mental health system (county or state administered), there will be a regional, state or county contact for the public mental health agency. This agency will administer the federal Community Mental Health Services Block Grant (MHBG), a program that fills gaps in the services funded by Medicaid and private insurance. As district administrators are developing partnerships for clinical services, it is helpful to sit down and share plans with individuals from the public mental health agency. They may be able to direct school district administrators to agencies that would make good clinical partners. They can help district administrators understand how MHBG dollars are administered in the local community and the possibility of those funds filling gaps in funding from Medicaid for clinical services in schools. They may also employ county mental health workers who can provide clinical services in schools, and/or help to coordinate those services.

### Intermediary organization

Depending on the size of the local effort, it may be helpful to contract with a local intermediary agency to handle the coordination of partnerships for clinical services. Intermediary agencies are agencies whose mission is focused on helping to coordinate services and funding toward shared outcomes in communities. If district administrators want to offer clinical services in a number of schools, the work of identifying and engaging partners, getting the right referral and reporting systems in place, ensuring there is adequate funding to support services, guiding the development of the partnership, and troubleshooting challenges as they arise, may take more time than district staff have available. If a local intermediary organization exists, district leaders might consider contracting with them to coordinate the effort and ensure the partnership rolls out services in a high quality manner.

# 3

## IDENTIFY SOURCES OF FINANCIAL SUPPORT

District administrators can work with the partners above to design a financing strategy for clinical services that uses Medicaid and potentially other private insurance as the core support and fills gaps in the services Medicaid can support with other funding streams. Designing the financing strategy begins with answering basic questions that will enable district administrators and their clinical partners to estimate the Medicaid revenue available to support clinical services and the gaps that will need to be filled with other sources. Questions include:

- What proportion of the student body is enrolled in Medicaid?
- What proportion of the student body is enrolled in other private insurance?
- What proportion is uninsured? Are uninsured families eligible for Medicaid?
- What are the Medicaid billing options available to cover clinical services and related administrative supports? Every state has their own Medicaid plan and makes decisions about what particular services are eligible for Medicaid billing and how billing and payment systems are structured. Clinical partners with experience billing for mental health services for children will understand the state plan and can estimate the revenue that will be available for clinical services.
- Does Medicaid or private insurance coverage require co-pays? Will families receiving services in the school setting be required to pay co-pays?

Answering the above questions will help leaders to estimate to what extent Medicaid and other insurance will cover clinical services and what the gaps will be. Gaps in funding will most typically arise in three areas: 1) Services for students who are uninsured; 2) Services that are only covered in a limited way. For example, Medicaid or private insurance does not cover the number of sessions required, does not cover services for students without a formal diagnosis, pays low rates, or requires large co-pays; and 3) Time required for tasks that are not billable to insurance. For example, time for clinicians to communicate with teachers or participate in team meetings for students.

Because there will typically be some gaps in what Medicaid can cover for high quality, well-connected school-based services, it is important to identify funding streams that can fill in gaps in Medicaid funding. District administrators will know best what is possible within their own budgets but should consider federal streams such as IDEA Part B, Title I, and Title IV-A: Supporting Safe and Healthy Students. District administrators and their partners can also look to mental health funding streams outside of the school district to support the work, including federal MHBG funds, state or county mental health funding, and private foundations.

In addition to supplemental funding streams to cover clinical services, school administrators should ensure they have developed a thoughtful plan in partnership with their clinical partner, that lays out roles and responsibilities for the planning, referrals, and data tracking needed for clinical services to be successful. Being explicit about roles and responsibilities can help school administrators ensure they are allocating school staff resources needed to support the successful implementation of services.

Thoughtful outreach and intentional work with partners to establish clinical services in schools requires time and persistence to navigate the local Medicaid and mental health funding context. The time and energy devoted to these efforts can be well worth it, however, leveraging significant resources into schools to make clinical services that students and families need more accessible and avoiding costly out of district placements for students with mental health needs.

