healthy schools campaign

Health in Mind: Improving Education through Wellness

BACKGROUND FOR SCHOOL NURSING CONVENING

Introduction

The enactment of the Affordable Care Act (ACA) and the release of the nation's first National Prevention Strategy mark an unprecedented opportunity to shift the nation from one focused on sickness and disease to one based on wellness and prevention. Given that 52 million of the nation's children spend their day in schools, the education sector can play an integral role in health prevention and promotion by supporting student health and wellness.

School nurses represent a critical component of a school environment that supports student health and wellness. Research shows that the daily presence of a school nurse in a school building promotes both student wellness and academic achievement.[1,2] The Healthy People 2020 objectives include increasing the number of schools that have one full-time registered school nurse for every 750 students.[3] However, only 38 percent of public schools currently have a full-time school nurse every day of the week.[4] In addition, over the past few decades, there has been a substantial increase in the prevalence of chronic diseases among children, from one in eight children to one in four, especially for manageable conditions such as asthma, diabetes, obesity, and learning and behavioral disabilities.[5]

The reimbursement school districts receive for the health services school nurses deliver is restricted by a complex set of state and federal policy barriers, including federal and state Medicaid laws.[6] In addition, school districts frequently lack the guidance and technical assistance necessary to understand the complex regulations associated with seeking reimbursement for school health services. Identifying strategies that address these restrictive barriers is an important step towards realizing the vision of the ACA—a transformed U.S. health care system that provides seamless, affordable, quality care that is accessible to children.

A Growing Need for School Nurses

Over the past few decades, the prevalence of chronic diseases has dramatically increased among children, from one in eight children to one in four, including conditions like asthma, diabetes, obesity, and learning and behavioral disabilities.[7] As the number of schoolchildren with chronic illness increases, understanding the important role that school nurses play in providing services to this unique group of students will be critical.

School nurses provide students with essential health promotion and disease prevention services, including early detection screenings, immunizations and health education. School nurses may also provide interventions for acute and chronic illness, injuries and emergencies, communicable diseases, obesity, asthma and many other health issues affecting students across the country. Asthma is the most common chronic disease among urban children. Those with persistent asthma have more school absences, contributing to decreased school performance.[8] School nurses have been found to improve attendance by enhancing chronic disease management.[9]

It is also important to distinguish between the services provided by school nurses and by school based health centers (SBHC). SBHCs provide comprehensive medical and mental health screening and treatment for students that complement services provided by school nurses. SBHCs are funded through a variety of mechanisms including federal, state and/or local governments and private foundations. While SBHCs are proven to have a positive impact on the overall health of the student population, only 50% of students utilize the SBHC in their schools, and there are less than 2,000 SBHCs nationwide.[10] In contrast, school nurses serve the entire school population and, according to the National Association of School Nurses, there are currently over 45,000 employed school nurses. School nurses represent a cost effective method of providing the entire school population with access to health services.

In addition, research indicates that schools with school nurses have higher immunization rates than schools without, which results in a healthier student population and decreased rates of absenteeism for students and staff.[11,12,13] Through screening, school nurses can also identify common children's health conditions that impede learning. For example, by screening for vision problems early on, school nurses can refer students for the proper treatment.[14] Services provided by school nurses, such as management of chronic illnesses, have also been shown to reduce students' emergency room visits,[15] resulting in significant health care savings, improving students' quality of life and preserving their educational potential.

The services provided by school nurses also serve as a safety net for populations who lack access to regular, affordable health care. Approximately 9% of children in the United States do not have health insurance. School nurses can provide this at-risk population with access to care.[16] School nurse services could also curb our nation's disparities in access to care: 17% of Hispanic children are uninsured, compared with only 7% of Caucasian children, 10% of Asian children, and 11% of African-American children. In addition to providing health services, school nurses also facilitate enrollment in Medicaid and the State Children's Health Insurance Program (CHIP).[17] Ensuring that low-income students have regular access to health coverage and services is essential to addressing health disparities and reducing reliance on emergency departments for health care. Thus, school nursing represents a promising health care delivery model that shows important promise for ensuring the quality of care for all students, regardless of their health insurance status.

While the health needs of the general student population are increasing, schools are even more challenged to serve students with complex medical issues. Section 504 of the Americans with Disabilities Act and the Individuals with Disabilities in Education Act (IDEA), both passed in the 1970s, require schools to provide education to students with disabilities. From 2002 to 2008, the percentage of children in special education with chronic or acute health problems increased 60%.[18] Within this group, the rate of children with autism has doubled since 2002.[19] While more students now have the opportunity to attend public school as a result of IDEA, schools must cover most of the cost of daily care for these children.

Despite the positive impact that school nurses can have on student health and wellness, lack of funding for school nurses continues to erode school nurse-to-student ratios across the country as well as the quantity of services school nurses are able to provide. School nurses are primarily funded through local education departments and compete for funding against many other important priorities, including teachers' salaries and core academic subjects. School health is often a lower priority.[20] In addition, resources for school health services are overextended given the recent increase in the number of students who require complex medical care.[21] Thus, the cost of school health care has increased, while local funding has often stayed the same or decreased.

Ensuring that schools are able to receive funding from the health sector will allow schools to deliver disease prevention and management and health promotion services and emerge as a key partner in addressing some of the nation's most serious health problems. Billing Medicaid for school health services represents an important source of funding that can be used to promote and support school health services for students who often lack access to ongoing medical care. While schools are legally allowed to bill Medicaid for many of the services they provide, the complex reimbursement rules under Medicaid limit schools' ability to obtain Medicaid funding.

Recent History of School-Based Medicaid Billing

The Medicaid program recognizes the importance of school health services and allows states to use their Medicaid programs to cover certain school health services.

In 1988, as a result of the Medicare Catastrophic Coverage Act, Congress authorized Medicaid to reimburse for health services provided to IDEA children enrolled in Medicaid before any IDEA funds are used. As a result, health services included in a child's IEP (a plan created for children who qualify for special educational services under IDEA) and related administrative services are reimbursable by Medicaid, for Medicaid-eligible children.

While the Medicare Catastrophic Coverage Act made it clear that Medicaid funds can be used to pay for reimbursable school-based services provided to IDEA children enrolled in Medicaid, the Centers for Medicare & Medicaid Services (CMS) released limited guidance on this issue. Policy makers have expressed concerns that Medicaid payments are being made improperly to schools, particularly for students without IEPs. Since 1999, the U.S. Department of Health and Human Services (HHS) Office of Inspector General (OIG) has audited school health programs in 23 states to ensure compliance with federal rules and regulations. OIG found that billing practices, coupled with lack of oversight by CMS, resulted in many states receiving improper payments for these services.[22,23] Each of the audits concluded with a recommendation that states refund federal payments for uncovered services.

In the President's FY2008 budget proposal, the Bush Administration noted that Medicaid claims for services provided in schools have been prone to abuse and overpayments, especially with respect to transportation and administrative activities.[24] In December 2007, CMS issued a final rule to eliminate Medicaid reimbursement for school administration expenditures (administrative claiming) and costs related to transportation of school-age children between home and school. Subject to Obama Administration orders and the

American Recovery and Reinvestment Act (ARRA) in 2009, the rule was suspended in 2008 and was finally rescinded by CMS in June 2009.

CMS' final rule, along with the recent audits, have left school districts hesitant to bill Medicaid for health services provided to IEP students and the general student population. In addition, school districts do not understand the complex regulations and policies for billing Medicaid. In May 2003, CMS issued a guide to clarify and consolidate requirements for Medicaid administrative claiming. CMS noted in its distribution letter that the guide "…is one of several publications we are issuing on Medicaid claiming for school-based health programs. In the future, we propose to publish additional guidance on payment for specialized transportation, as well as an addendum to the 1997 guide, 'Medicaid and School Health: A Technical Assistance Guide,' that will address such issues as IEP services, state plan requirements, documentation for services, and rate setting."[25] CMS has yet to publish additional guidance on these issues.

Current Issues

While health services included in a Medicaid enrolled child's IEP are reimbursable by Medicaid, reimbursement for other services provided by school nurses have historically been subject to the free care rule. The free care rule states that Medicaid funds may not be used to pay for services that are available without charge to everyone in the community. For example, if all children in a school receive free hearing evaluations, Medicaid cannot be billed for the hearing evaluations provided to Medicaid recipients unless all students, regardless of insurance status, are billed for the services. Establishing billing procedures and practices to bill all students under private insurance and Medicaid is a cumbersome process and presents a significant barrier for school districts. Since school nurses serve the entire school community, many of the services they provide to Medicaid enrolled children are not eligible for reimbursement due to the restrictions imposed by the free care rule. The free care rule does not apply to services included in a student's IEP and services provided by the Title V Maternal and Child Health Services Block Grant.

The free care rule has been the subject of dispute for a number of state agencies. Lawsuits in California and Oklahoma have been filed against CMS to challenge the legal basis of the free care rule. Legal challenges to the practice have thus far been upheld. In 2000, CMS rejected $2 million in Medicaid claims from the state of Oklahoma for failing to adapt to the free care rule. The state appealed this loss, and a federal administrative board supported the state's position. In 2004 the HHS Appeals Board ruled that the free care rule, as interpreted by CMS and applied to school districts, has no basis in federal Medicaid law and that the rule, as applied to schools, is unenforceable.[26] CMS, however, has continued to enforce the free care rule outside Oklahoma.

Medicaid laws and regulations regard it as the health payer of last resort. Congress intended for Medicaid, as a public assistance program, to pay for health care only after a beneficiary's other health care resources have been exhausted. As a result, schools, like other Medicaid providers, must bill a beneficiary's health insurer first (if a child has health insurance in addition to Medicaid), before billing Medicaid. It is important to clarify that the requirement to bill third party payers only applies to Medicaid enrolled students who also have a third party insurer. It is also important to note that federal Medicaid law states that the free care rule and third party billing rule cannot, under any circumstance, prevent a school district from billing for Early, Periodic, Screening, Diagnosis and Treatment services. School districts must be provided with clarification and guidance related to this complex policy issue in order to facilitate their ability to bill Medicaid for health services.

At the state level, state Medicaid laws establish the services for which school nurses can seek reimbursement and establish the administrative procedures for requesting reimbursement. For example, in Illinois, districts are allowed to bill Medicaid for the following services delivered to Medicaid eligible students with a documented need in an IEP: therapeutic services, administration of medications, assessments for special education services, and food administration to students with feeding devices. Unreimbursed school health services in Illinois include first aid services, which are typically provided in response to a specific health event or medical emergency. While the services school nurses can bill for vary state to state, some of the services school nurses provide are not covered by state Medicaid laws. Providing state Medicaid agencies with guidance and best practices addressing state plan requirements, allowable services and sufficient rate setting will help ensure that state Medicaid agencies are supporting school health services.

The complex set of policy barriers, lack of guidance from CMS on how to bill Medicaid for school health services, and lack of administrative capacity to bill Medicaid make it difficult for school districts to seek reimbursement for school health services from Medicaid.

Innovative School Districts

While there are a number of challenges facing school districts that are interested in billing Medicaid for health services, many districts across the country are developing innovative strategies to bring in new funding streams to support school nurses. These strategies include developing managed care contracts, developing partnerships between health and education agencies to help distribute the cost of funding school nurses, and developing partnerships between school districts and health care providers to fund school nursing services. For example, Los Angeles Unified School District has become a contracted provider with California's Child Prevention and Disability Program, which allows them to seek reimbursement from Medicaid for nurse practitioners and physicians performing comprehensive physical exams. The district is also contracted with one public insurance program (LA Care) and one private insurance program (Health Net, Inc.) to provide such physical exams and seek reimbursement.[27]

There are also a number of opportunities available to improve resources for school nursing through existing health care policies, such as charity care laws and the community benefits provision within the ACA. These laws require local health care providers to provide health care services free of cost to the communities they serve. These policies can facilitate partnerships between school districts and local health care providers and increase resources available to schools for school nurses in a given district. For example, Austin Independent School District contracts with Austin-based Seton Family of Hospitals to provide over 70 full- and part-time registered nurses, as well as over 50 health aides. The hospital provides in-kind contributions such as human resources, legal services, and continuing training for the nurses (worth approximately half a million dollars), while the district pays for the health staff's salaries. Though it will not cover the entire cost of all school nurses in a school district, community partnerships can effectively act as a subsidy for the cost of school nursing programs. Examining existing local partnerships between school districts and health care providers, including Federally Qualified Health Centers, is necessary to identify strategies for promoting school health programs under charity care laws and the community benefits provision of the Affordable Care Act.

School districts that receive proper funding for school health services provided by school nurses illustrate the potential benefits of providing school districts across the country with the funding needed to maximize the role of the school nurse. For example, San Jose School District in California received a grant from the Lucile Packard Foundation for Children's Health and Lucile Packard Children's Hospital to hire a school nurse for four of the district's highest-need elementary schools. Since beginning the project in 2007, the district has shown improvements in reading and writing test scores, a significant decrease in emergency room visits by students with asthma and many additional health and academic benefits.[28] In addition, school districts, such as Hopkins County School District in Kentucky, have partnered with the local health department to provide school health services. In Kentucky, local health departments receive Title V funding and are exempt from the free care rule. As a result, local health departments are able to bill Medicaid for preventive services, including school health services delivered to Medicaid enrolled students. Reimbursement funds from Medicaid have, in part, enabled the local health department to provide one school nurse for every 535 students.

National Policy Recommendations

The primary Medicaid policies that impact the ability of school districts to bill Medicaid for school health services are the free care rule and the requirement that Medicaid be the payer of last resort, both of which require in different circumstances that other sources of third party insurers are also billed for covered services. It is critical to provide school districts with guidance on these policies so that they can appropriately bill Medicaid for school health services. In addition, in light of the recent audits of school health services in 22 states, CMS must provide guidance to schools on the range of issues raised by the audits (addressing state plan requirements, allowable services, proper documentation methods, sufficient rate setting methodologies, managed care and bundled payment, and provider qualifications necessary to receiving Medicaid reimbursement) and show strong support and encouragement to school districts in order to guarantee that students have access to school health services.

In order to maximize the impact school nurses can have on the health of students, HSC recommends the following changes in federal policy and practice:

NATIONAL POLICY RECOMMENDATIONS FOR THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

1. Issue guidance to the states, in the form of either a State Medicaid Director Letter or revisions to the 2003 Medicaid School and Administrative Claiming Guide, to clarify that school districts may receive Medicaid reimbursement for health services provided by a school nurse to Medicaid-enrolled students. The guidance should, at a minimum, include:

   · Declaration that health services provided in schools are exempted from the free care rule in accordance with the 2005 HHS Departmental Appeals Board Ruling.

   · Clarification that school districts are not required to establish procedures or to bill third party payers for health services provided to non-Medicaid enrolled students in order to bill Medicaid for health services for Medicaid enrolled students.

   · Clarification that the requirement to bill third party payers only applies to Medicaid enrolled students who also have a third party insurer.

   · Clarification that the free care rule or third party billing rule cannot, in any circumstance, prevent a school district from billing for the provision of Early, Periodic, Screening, Diagnosis, and Treatment services to a Medicaid enrolled student.

   · Clarification that school districts can bill Medicaid for health services provided to Medicaid enrolled students even if such services are not provided under Title V or as a result of an IEP or IFSP under IDEA.

   · Clarification on the process for billing under Medicaid for the provision of health and behavioral health services provided by school nurses, to a Medicaid enrolled student.

   · Provide best practices examples for states and school districts addressing state plan requirements, allowable services, proper documentation methods, sufficient rate setting methodologies, managed care and bundled payment, and provider qualifications necessary to receive Medicaid reimbursement for health services provided by a school nurse.

2. Establish a Community Engagement process, through opportunities such as Regional Listening Sessions and Requests for Information, to solicit stakeholder involvement in the development of practice guides to states, school districts, and schools to encourage financing of health services provided by school nurses to Medicaid-enrolled students through Medicaid and to eliminate any known barriers to billing Medicaid for these services.

3. Work with the IRS to recognize school health services as an eligible community benefit. This will include supporting IRS efforts to develop best practice documents regarding the establishment of partnerships between schools and local health care providers and implementing outreach to educate schools and local health care providers about this opportunity.

NATIONAL POLICY RECOMMENDATIONS FOR U.S. DEPARTMENT OF EDUCATION:

1. Disseminate technical assistance and guidance documents developed by HHS to state and local education stakeholder groups. This outreach and dissemination should include a letter from the Secretary of Education to the Council of Chief State School Officers and National Association of State Boards of Education announcing the release of guidance documents by HHS that provide clarification for school districts on Medicaid billing.

2. Develop and implement programs to increase the knowledge of school staff and administrators around the importance of health to student achievement and strategies for developing and implementing school health services.

3. Promote the inclusion of schools nurses and/or state school nurse consultants in the development of School Improvement Plans.

Given the integral role school nurses play in providing health prevention and promotion services, supporting students with chronic illnesses and promoting the academic achievement of their students, it is critical to increase support for school nurses across the country and identify strategies for providing adequate funding to school nurses that will enable them to continue to serve as champions of health and wellness.

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About This Effort

This convening is part of Health in Mind: Improving Education through Wellness, an initiative of Healthy Schools Campaign and Trust for America's Health. While educators know that healthy students are better prepared to learn and succeed in school, current health and education policy miss several simple, vital opportunities to boost academic success through health promotion and school wellness. This initiative encompasses specific, practical policy recommendations that the nation can implement to make immediate and important improvements without significant expense. For example, a child with asthma should have access to a school nurse whose attention will allow the child to stay in class and focus on learning, and teachers should receive support to integrate physical activity into lesson plans to engage students' minds while supporting their long-term health. As part of this effort, we will present a report to Secretary of Education Arne Duncan at an event in May 2012.

About Heatlhy Schools Campaign

healthyschoolscampaign.org

Healthy Schools Campaign (HSC), an independent not-for-profit organization, is a leading authority on healthy school environments and a voice for people who care about our environment, our children, and education. HSC advocates for policies and practices that allow all students, teachers and staff to learn and work in a healthy school environment.

healthy schools campaign
clean environment
healthy children
better education

About Trust for America's Health

healthyamericans.org

Trust for America's Health is a non-profit, non-partisan organization dedicated to saving lives by protecting the health of every community and working to make disease prevention a national priority.

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