



Federal and State Opportunities to Advance Mental Health in Schools

Data collected through MHA's screening program indicates that youth ages 8-22 are interested in accessing more mental health supports including mental health education, do-it-yourself tools, and peer support in order to improve the mental health and wellbeing of themselves and their peers. Additionally, high school age youth indicated that following the use of an excused absence for mental health, there is a need for a designated grace period to make up for any work they may have missed.

Recent federal funding has been appropriated and guidance has been issued to states and school districts through the Bipartisan Safer Communities Act to improve school-based mental health services and supports. However, it will be up to states, school districts, and partnering organizations to ensure youth priorities are embedded into new policies and programs that transform schools to be more friendly for mental health promotion activities that complement higher level professional clinical services. Funding was awarded to the Department of Education and the Centers for Medicare and Medicaid for both non-clinical and clinical services and supports.

Grants from the U.S. Department of Education

The Department of Education recently announced its new Mental Health Evaluation, Training, Research, and Innovation Center for Schools (METRICS) to increase support to states and offer new resources nationwide on training mental health professionals and providing school-based mental health services. It will support two grant programs in particular: the [School-Based Mental Health Services](#) grant (SBMH) and the [Mental Health Services Professional Demonstration](#) (MHSP). METRICS will also distribute resources to states, districts, and schools nationwide to help them implement high-quality projects to address the social, emotional, and mental health needs of K-12 students.

The **SBMH** grant is awarded to state education agencies to support 1) recruitment and retention-related incentives for school-based mental health service providers; 2) promoting the specialization and certification of existing mental health service providers to qualify them for work in school districts with demonstrated need; and 3) increasing the diversity and cultural and linguistic responsiveness of school-based mental health services providers, including in the provision of identity-safe services. Youth peer support specialists can be supported through this program as long as they meet the definition of school-based services providers in the state plan

amendment (SPA). This grant last opened in October 2022 and is likely to open around the same time in 2023 for state education agencies to apply.

The **MHSP** grant is awarded to a local education agency (school district) for partnering with a graduate mental health training program to train new school-based mental health service providers for employment in the school district. The goal of this program is to increase the number and diversity of high-quality, trained providers available and to alleviate the shortages of mental health service professionals in high-need school districts. This grant last opened for applications in November 2022 and is likely to open around the same time in 2023.

The agency also recently launched the [Raise The Bar](#) initiative which showcases many additional programs dedicated to student mental wellbeing including programs focused on healthy school climates, trauma informed services, and community schools. Both schools and states may apply for these grants.

Medicaid financing and planning grants

Medicaid is the largest payer of mental health and substance use services in the U.S. and provides insurance for nearly half of all children. The Center for Medicare and Medicaid Services (CMS) released an [informational bulletin](#) in May 2023 announcing guidance encouraging states to expand Medicaid reimbursement for health services in school settings.

Medicaid State Plan Amendments: Covering Behavioral Health Services for all Medicaid-eligible Children and Youth

Mental health organizations working with their state agencies and school districts can inform a new State Plan Amendment (SPA) that authorizes expanded Medicaid billable mental health services in schools in their state. States and school districts may utilize the new school-based services [Technical Assistance Center](#) to help design and submit an SPA or to seek other support. The Center is a collaboration between CMS and the Education Department to offer direction to states and school districts on available federal funding, effective service delivery, reducing administrative burden, and eliminating barriers to the provision of school-based physical and behavioral health services. States and school districts can contact the center at schoolbasedservices@cms.hhs.gov.

State Plan Amendments should be crafted to align with new flexibilities in CMS' [Administrative and Claiming Guidance](#) and may do so to ensure compliance with the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Medicaid benefit which requires comprehensive and preventive health care services for youth under age 21. The new Administrative and Claiming Guidance clarifies how payments can be made for school-based services under Medicaid and CHIP; how states can simplify billing for school-based services, including in rural and small or under-resourced communities; provides examples of approved methods that state agencies have used to pay for services; and describes how to enroll qualified health care

providers to participate in Medicaid and furnish services within school settings. It also offers new flexibilities on billing, documentation, and time studies (e.g., worker logs, random moment time studies (RMTS)) to help ease the administration of school-based services on schools and school districts.

The Healthy Schools Campaign has created a new resource, [Status of School Medicaid Expansion](#): How (and How Many) States Have Taken Action to Increase School Health Access and Funding, that provides detailed information on each state and the status of their billing of Medicaid. States are now permitted to cover all medically necessary services for all Medicaid eligible children, not just those children that have an Individualized Education Plan (IEP). There is tremendous variability among states in what and whom they cover, so affiliates are urged to look up the status of their state's Medicaid program in this new resource to determine what services are already covered (nursing services, behavioral health services, or all medically necessary services) and which children are included i.e., those with an IEP, Section 504 of the Rehabilitation plan, or all Medicaid-eligible children.

For example, Indiana has a very narrow expansion and is covering only nursing services for children with an IEP and Section 504 plan. Connecticut expanded its school Medicaid program to cover all medically necessary services, but only for students with an IEP and Section 504 plan. This is also a narrow expansion because most 504 plans do not require services and few students qualify. In contrast, South Carolina expanded its program to include all Medicaid-enrolled students, but only covered behavioral health services.

MHA encourages SPAs to cover all Medicaid-eligible children and be inclusive of all mental health and behavioral health services, including those provided by youth peer support specialists, school psychologists, social workers, and counselors, as they can all be eligible. In a 2020 [survey](#) of almost 2,000 young people seeking help through MHA's screening program, 44% of 14-18-year-olds stated that access to support from other young people is one of the most important resources for their mental health. We are not aware of any state that is currently covering youth peer support in schools through Medicaid so this would be an important new service for affiliates to advocate for inclusion and expansion. Additionally, ensuring telehealth is allowed can further assist students with access to services in areas with provider shortages and outside of school hours or during summer break. Nearly 1,000 school districts across the nation have moved to a four-day week, and students may need services on days that schools are not open.

Planning Grants

The Bipartisan Safer Communities Act also appropriated \$50 million for state planning grants to provide resources to states to maximize their use of new flexibilities and increase access to Medicaid-funded services in schools. The application for these grants is likely to become available in early 2024. Medicaid agencies will be able to apply so affiliates are encouraged to advocate with their state Medicaid offices and Governors' offices to apply for these grants to support increased mental health and substance use prevention and treatment services in schools, including youth peer support services.

Conclusion

MHA has worked with the Healthy Schools Campaign which has published many resources, including the Status of School Medicaid Expansion and a [guidebook](#) for states to expand services in schools. The School Superintendents Association (AASA) has also been a partner in updating Medicaid guidance; thus, we encourage affiliates and community-based organizations to collaborate with the Healthy Schools Campaign and local superintendent offices as well as other provider and caregiver organizations to ultimately grow mental health services, supports, and accommodations in schools using Medicaid funding and other state and local funding from the Education Department. MHA held a webinar in September entitled [Getting and Funding Mental Health Services in Schools](#) featuring MHA of Tennessee's school-based program and a Federally Qualified Health Center delivering Medicaid services that we encourage affiliates to watch for additional context.

Recommendations for advancing school-based mental health services and supports

- Center your organization as a subject matter expert that the education community must draw from to effectively address the youth mental health crisis. Become part of the **education stakeholder community** by scheduling introductory meetings or joining existing state or local coalition meetings.
- Pitch education community leaders about the importance of **student priorities** (literacy, do-it-yourself tools, peer support) in developing any school plans that address mental health and substance use concerns and elevate student voice to ensure lived experience is represented.
- Encourage education leaders at the state and local levels to 1) utilize the new **School-Based Services Technical Assistance Center** at Medicaid to **submit a state plan amendment** that expands mental health services and supports for all Medicaid eligible children and 2) apply for Medicaid **state planning grants** to build up infrastructure for new services and supports.
- Encourage education leaders at the state and local levels to draw down new federal grant **funding through the Department of Education** to expand services, train and hire culturally responsive professionals, grow peer support programs, and otherwise improve school climate.

For more information on this topic, affiliates may contact Caren Howard at choward@mhanational.org.