



Office of Third Party Billing
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SPPS Fact Sheet on HF 1175/ SF1028

House Bill H.F. 1175 - Authors: Representatives Youakim, Frederick, Pryor and Kiel

Senate Bill S.F. 1028 - Authors: Senators Frentz, Wiklund, Abeler and Hoffman

The Issue

Minnesota school social workers provide services to a significant number of students with disabilities who also require behavioral health (mental health) services. Currently, in Minnesota, the only way to access federal Medicaid funds for these services is through the Children's Therapeutic and Services and Supports (CTSS) benefit. CTSS requirements mean that behavioral health services are required to meet separate billing requirements (outside of the special education criteria and beyond what the Center for Medicaid Services (CMS) require) in order to access these federal Medicaid funds. **As a result, CTSS severely limits school districts' ability to seek those federal funds for IEP/IFSP school social work services and requires schools to use cross subsidy funding to pay for these services.**

School personnel already provide mental/behavioral health services and will continue to provide these services as required under federal special education law - the Individuals with Disabilities Education Act (IDEA). This bill will allow for reimbursement of services provided by appropriately licensed professionals and practitioners under statute 256B.0625. subd. 26 without the requirement of CTSS.

Talking Points

FALSE Narratives:

- Providing mental health services in the school creates challenges for mental health providers to be able to provide mental health services in the community. - **FALSE** Students receive mandated services in the schools AND can (and do) receive services by providers in the community (happens currently with OT, PT and Speech services) - There is no financial downside (IEP Services are carved out of medicaid).
- Providing mental health services in the school will LIMIT the amount of services a community mental health provider can bill for. - **FALSE** - Schools bill using a code with a modifier attached. More services paid for in the schools doesn't decrease or limit the amount of services paid for in the community.
- Schools don't provide continuity of care because they are not in session in the summer. **FALSE** - IEPs and IFSPs are written for one year. If students need services in the summer through summer school or extended school year, schools are mandated to provide those services. This false narrative also has nothing to do with MA reimbursement and is more about discrediting or minimalizing services that students receive in schools.
- Using an IEP to bill for MA will create continuity of care issues and cause confusion for parents. - **FALSE** - These services are ALREADY happening through the Special Ed Process. Students with more serious mental health needs also get services from community providers.

Argument for abolishing the CTSS benefit as proposed in the House and senate bills:

Significant Need for increasing Mental Health Services for children

- School principals report that student mental health needs are one of their biggest challenges
- According to the new Student Survey: 29% of students reporting long-term mental health problems (6% increase from last survey)
- Seeking reimbursement through CTSS requires a diagnostic formulation and DSM5 mental health diagnosis. These requirements are not part of the Special Ed eval and IEP process and is not required for seeking



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reimbursement by CMS. For many students who qualify through the special ed process, the goal is PREVENTING a more serious mental health diagnosis.

- In response to the **Bipartisan Safer Communities Act signed into law on June 25th, 2022**. The Centers for Medicare and Medicaid Services (CMS) released Bulletins dated August 18th, 2022, encourages states to ease administrative burdens placed on schools and suggest states avoid requiring a mental health diagnosis in seeking Medicaid reimbursement for behavioral health services provided by schools.

[Information on School-Based Services in Medicaid: Funding, Documentation and Expanding Services](#)

Qualifications

- School social workers are qualified and licensed mental health professionals and practitioners providing Medicaid eligible behavioral health services - These providers go through the same education, training, certification, and licensing requirements as Mental health providers in the community.

Funding

- Medicaid is the primary payer for IEP/IFSP health related services in the schools, not the education agency; yet schools are drawing down their educational funds to provide these services adding to the increasing cross subsidy.
- Accessing federal Medicaid funds is a sustainable revenue source that helps maintain the staffing and build school capacity to provide these medically necessary behavioral health services.
- Federal Medicaid funding helps increase health equity across schools by targeting reimbursement to schools billing for higher rates of Medicaid penetration.
- With the current model, Minnesota is currently losing out on approximately \$10 million annually by not capturing these sustainable Federal Medicaid funds.
- This is of no cost to the state as schools are only reimbursed with federal funds.
- Schools are one of the most cost-effective ways of providing mental health services to our students.
- [Leveraging Medicaid, CHIP, and Other Federal Programs in the Delivery of Behavioral Health Services for Children and Youth](#)

Federal Mandates

- Schools are federally mandated to complete a comprehensive evaluation and all due process related criteria to identify a student with a disability along with the medical need for the behavioral health service.
- Medical necessity for all other health related services provided in the schools is determined by the special education criteria required by IDEA.

CTSS Barriers

- Even though the CTSS benefit has been around for almost 20 years, only 8 of 550 Minnesota districts and charters are billing CTSS for the IEP/IFSP behavioral health services due to the duplicative and cumbersome paperwork and requirements of CTSS.
- CTSS certification requires 2 mental health professionals (this is not required by Medicaid). This requirement causes significant discrepancy in access across the state; only 20% of Minnesota districts employ the necessary 2 mental health professionals in special education.

Bill Support: MN Administrators for Special Education, MN Association of School Administrators, MN School Social Workers Association, MN School Board Association, NASW-MN, Schools for Equity in Education, Coalition of Licensed Social Workers, Assn. of Metropolitan School Districts, MN Intermediate Districts