

## **SCHIP and Medicaid Reimbursement for School-Based Health Centers: Obstacles to Payment in Many States**

School-based health centers (SBHCs) are fully equipped medical offices that are located in or on the grounds of schools.\* There are about 1700 SBHCs in 44 states and DC. Most SBHCs are in underserved urban or rural areas. SBHCs are just like doctors' offices, and often offer a broader range of services – e.g., mental health services, substance abuse prevention, and nutrition counseling – to better serve the needs of their student patients. They are especially well-suited for providing immunizations and health screenings, and managing chronic disorders such as diabetes, obesity, depression, and asthma.

**Problem: SBHCs are often denied SCHIP and/or Medicaid reimbursement for covered services provided to Medicaid and SCHIP enrollees.**

SBHCs struggle to finance their valuable services to vulnerable populations. SBHCs serve every student who seeks their services and lack of insurance is not a barrier to receiving care. Although every SBHC in the country sees SCHIP and Medicaid enrollees, only forty-four percent report billing the state SCHIP program. Seventy-one percent of SBHCs report billing Medicaid. When SBHCs don't bill it is largely because of various bureaucratic barriers, such as state contracts with managed care organizations (MCOs) not including SBHCs in their networks. Recognition of SBHCs as a unique provider type would allow them to be reimbursed outside of contracts with MCOs. In fact, some states have instituted policies that ensure SCHIP and/or Medicaid payments to SBHCs.

**Solution: SCHIP reauthorization legislation should require that *all* states adopt policies to ensure payment to SBHCs for covered services provided to SCHIP and Medicaid patients.**

SBHCs rely on a variety of funding sources, including states and localities, school districts, community agencies, foundations, corporate contributions, private insurance, and (in few cases) SCHIP and Medicaid. There is no federal program that directly supports SBHCs.

With the economic downturn, more children and adolescents will be enrolled in SCHIP and Medicaid, and fewer will have private health insurance. SBHCs can also expect diminished revenues from other sources, particularly state and local governments, and will have to increase billing revenue.

SBHCs provide services to the very populations that SCHIP was intended to help. Yet many SBHCs will need to cut back on services, or even close their doors, if Congress does not address this problem.

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\* *Please note:* SBHC services should not be confused with the health-related services provided to children with disabilities to enable them to attend school. Even though the latter are often referred to as "school-based services" they are distinct from services provided by school-based health centers.

## STATE POLICIES TO ENSURE SCHIP and/or MEDICAID REIMBURSEMENT TO SBHCs

A total of 14 separate states have made some sort of accommodation to ensure SCHIP and/or Medicaid payments to SBHCs, as indicated below.

STATE (# SBHCs)	Define SBHCs as unique provider type		Mandate contracts between Manager Care Organizations and SBHCs		Waive prior authorization by Primary Care Provider (PCP) for all visits		Waive some prior authorization by PCP for some types of visits	
	MEDICAID	SCHIP	MEDICAID	SCHIP	MEDICAID	SCHIP	MEDICAID	SCHIP
AL (9)								
AK (1)								
AZ (91)								
AR (0)	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs
CA (140)								
CO (36)	X							
CT (73)	X		X					
DE (26)	X							
DC (5)								
FL (123)								
GA (3)								
HI (0)	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs
ID (0)	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs
IL (53)	X	X			X	X		
IN (88)								
IA (15)								
KS (3)								
KY (15)								
LA (56)	X	X			X	X		
ME (27)	X	X			X	X		
MD (64)	X	X					X	X
MA (57)	X	X			X	X		
MI (69)								
MN (21)								
MS (36)								
MO (3)								
MT (0)	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs
NE (1)								
NV (3)								
NH (1)								
NJ (27)								
NM (42)	X		X	X			X	X
NY (195)	X						X	
NC (51)					X			
ND (0)	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs
OH (26)								
OK (8)								
OR (45)								
PA (23)								
PR (2)								
RI (7)	X	X	X	X				
SC (11)								
SD (4)								
TN (19)								
TX (72)								
UT (4)								
VT (5)								
VA (18)								
WA (18)								
WV (41)			X					
WI (16)								
WY (0)	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs	No SBHCs

State column includes District of Columbia (DC) and Puerto Rico (PR)  
 No SBHCs in AR, HI, ID, MT, ND, WY

Source: Schlitt, Juszczak, and Eichner. (2008) State Policies that Support School-Based Health Centers. *Public Health Reports*, 123(6).