



Pennsylvania Association of School Business Officials

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PA Association of School Business Officials

On behalf of the Pennsylvania Association of School Business Officials (PASBO), thank you for the opportunity to testify today. My name is Jason McMillen, and I am the Director of Business Programs and Services at Appalachia Intermediate Unit #8. I am pleased to present this morning on such an important topic—a topic that has only been heightened in terms of urgency by the pandemic.

It is important to define what we mean when we discuss mental health services in schools. This can mean comprehensive programs to support all students and provide them with coping skills before they are needed, and it can also mean individualized support for students that are experiencing anxiety, depression, substance abuse, stress, bullying or other situations that have the potential to negatively impact the student's ability to succeed both in and out of school.

School-Based Access Program Overview

While this testimony will cover the overall costs and challenges related to the provisions of mental health services and supports to students, we were asked to specifically address the School-Based Access Program (SBAP) and its relation to mental health services.

The SBAP provides a mechanism for partial federal reimbursement for the medical services provided to Medicaid-eligible special education students by school districts, intermediate units, charter schools, approved private schools and state-owned schools.

These medical services, mandated by each special education student's individualized education program (IEP), can be extremely costly to provide and school districts and intermediate units (IUs) across the Commonwealth rely on this federal reimbursement to sustain quality services for students and to balance their budgets.

Under the federal Individuals with Disabilities Education Act (IDEA), school districts and IUs must identify those students eligible for special education services. Where a student is identified as having a disability and it is determined that special education and related services are necessary for the student to benefit from the regular education program, an IEP is developed, laying out and mandating the educational plan required for that individual student. The special education services required to be provided to a student in his or her IEP can range from very minor classroom accommodations to outplacements in approved private schools.

Many IEPs mandate the provision of medical services such as physical or occupational therapy, speech or language therapy, audiology, nursing services or psychiatric services, and personal care assistants to eligible students.

Because the costs of providing mandated special education services—especially medical services—to eligible special education students can be significant, the Medicare Catastrophic Coverage Act was passed in 1988, under which Congress required federal Medicaid funds to be made available to provide reimbursement for a portion of the cost of providing medical services to Medicaid-eligible special education students.

Following passage of this legislation, Pennsylvania implemented its SBAP beginning in the 1991-92 school year. The program is administered and managed by an entity under contract with the Commonwealth. While the Centers for Medicare and Medicaid Services (CMS) defines which medical services are eligible for reimbursement, the PA Department of Human Services (DHS) sets forth the guidelines and requirements of the SBAP and, with involvement of the Department of Education (PDE), participating school districts and IUs are reimbursed for a set percentage of their costs for providing these school-based medical services.

Because the program uses federal Medicaid funds for the reimbursements for services, when a Medicaid-eligible special education student is also covered by a third-party insurer, CMS regulations require that states generate evidence that there is no third-party liability for the medical services provided to each individual student prior to providing federal reimbursement. Plainly said, Medicaid is the payer of last resort, so if a third party covers the medical service, the third party must pay for that service. In short, third party insurers do not cover school-based medical services either in Pennsylvania or in any other state, and CMS guidance even states that many services covered under state Medicaid programs are not covered by third party insurers.

Therefore, under Pennsylvania's SBAP eligibility guidelines, most special education students that require school-based medical services as part of their IEP are eligible for medical assistance under the program.

Audiology, nursing, occupational therapy, orientation and mobility, personal care assistant, physical therapy, physician, psychiatric, psychology, social work, speech & language, hearing, special transportation and vision are all medical services that are reimbursable under the program.

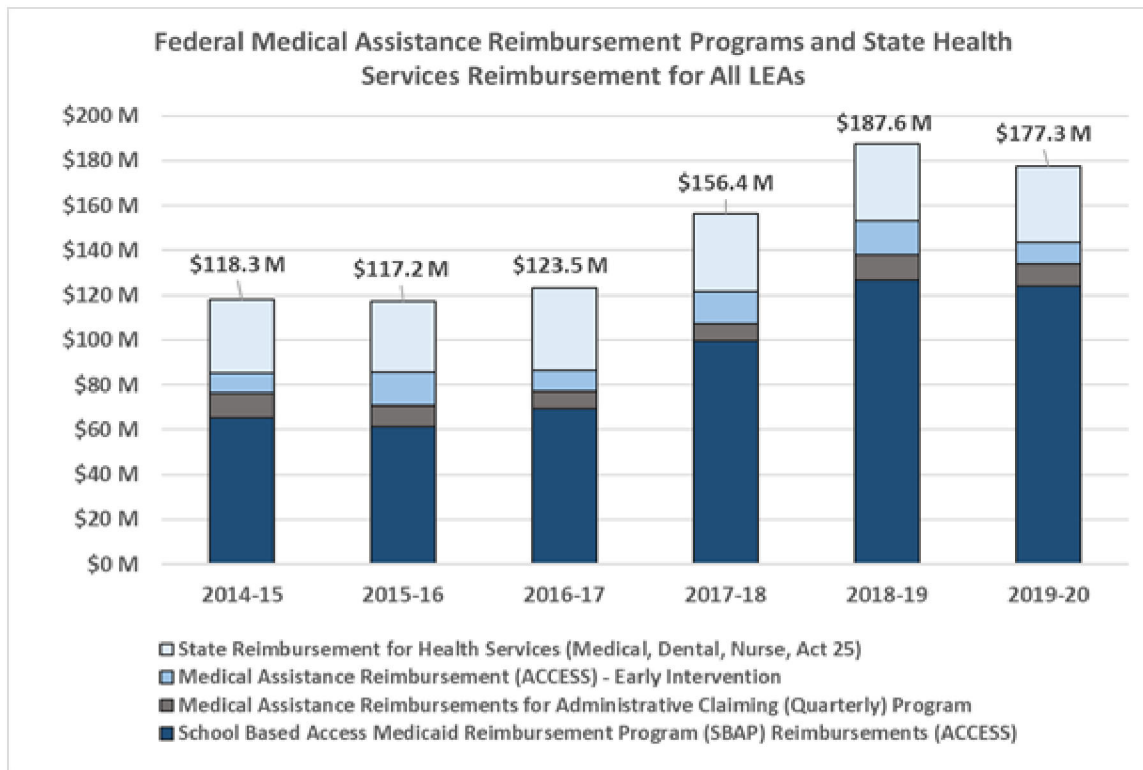
Under the SBAP, school districts and IUs providing medical services to special education students must document the services provided and work through the Commonwealth's vendor to submit claims for federal reimbursement for those services provided to each eligible student. The vendor submits these claims on a routine basis to DHS. DHS then determines which claims can be paid and which cannot.

Those claims that are approved are then sent to the federal government for payment, the federal dollars flow back to DHS, DHS then authorizes a transfer of federal dollars to PDE, and PDE then passes on these federal funds to school districts and IUs to cover a portion of the medical services costs that are approved in the student's IEP. The entire payment process takes several weeks or even months to accomplish.

In Pennsylvania, the SBAP generates federal revenue to support two vital programs for children—early intervention and school-age special education. The Early Intervention (EI) program is administered primarily by intermediate units with the goals of identifying children ages 3 to 5 with or at risk for developmental delays and implementing necessary services for those children before they reach school age.

Through the EI program, these children will be evaluated and given an IEP, if necessary, to ensure that they begin receiving appropriate services as soon as possible to begin to address any potential developmental delays or other issues before they enter school. When the EI program ends, the school-age special education programs begin. Once a student reaches school age, assessment for needed special education services occurs, and an IEP will be developed for each eligible student.

The graph below shows the overall shares of state and federal reimbursement to local education agencies (LEAs) by year. The SBAP reimbursement has climbed recently to exceed \$120 million in 2019-20, representing a fraction of the costs that are spent on providing required medical services to students pursuant to their IEPs. The amount that the state has provided to LEAs for health services has remained virtually flat over the past several years.



SBAP and Relation to Mental Health Services

In terms of the SBAP and the provision of mental health services, there is not a significant overlap. The vast majority of mental health-related services provided in LEAs are likely not mandated by a student’s IEP, and similarly, most school-based medical services provided to students under the SBAP are not mental health-related. While there are certainly some psychiatric services that are Medicaid-reimbursed, those services likely represent a sliver of the overall medical services being provided and reimbursed for under the program.

To increase the scope of mental health services eligible for reimbursement under the SBAP, it would require a change to federal eligibility criteria, which could, theoretically, expand the program, and therefore, expand the scope of federal Medicaid funds required to reimburse LEAs for their services.

Given the challenges and minimal links between the existing SBAP and the need for increased mental health services, programs and supports for students, there are other opportunities and challenges that should be examined and addressed. We discuss several of these important items below in our testimony.

Existing Costs and Mental Health Supports

In schools now, it is primarily school counselors, psychologists and social workers that are providing mental health supports—either comprehensively or individually to students.

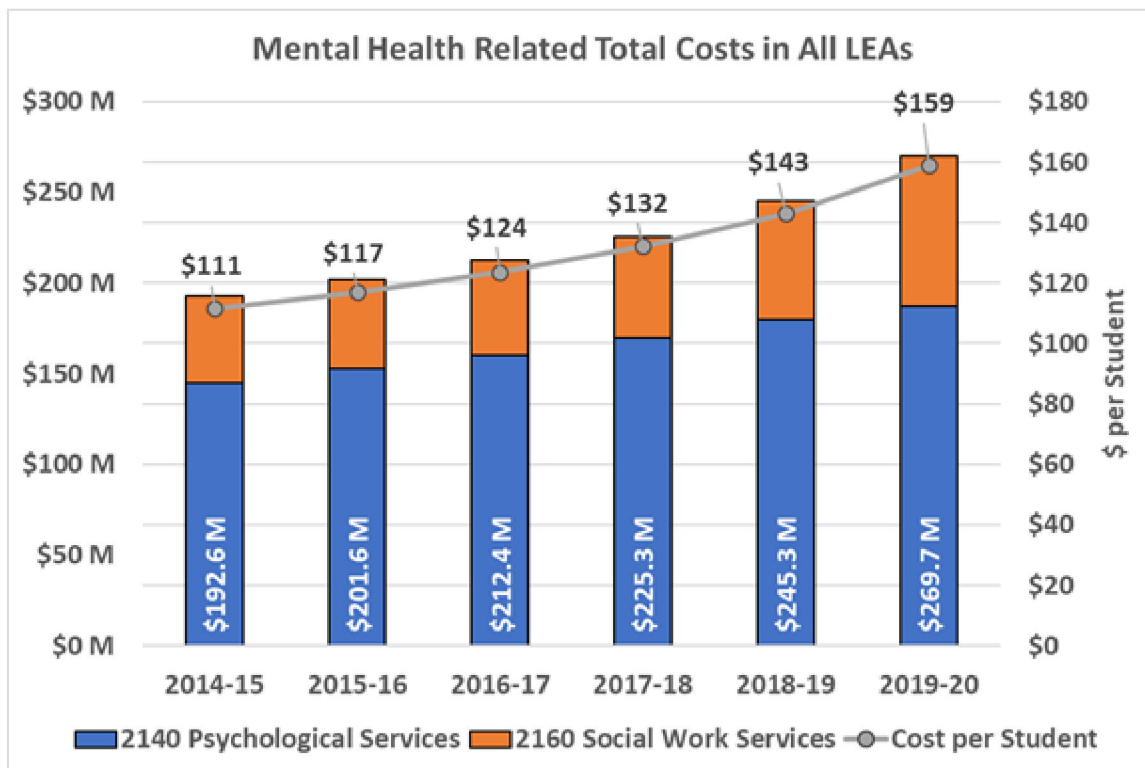
However, in many cases, these school employees are not solely focused on mental health supports.

For example, the primary role of school psychologists is to conduct evaluations as part of an LEA's special education team evaluation to determine eligibility for services. This consists of conducting cognitive assessments, achievement tests, adaptive testing, developmental assessments, and behavioral assessments. Across the state, the median salary of a school psychologist is about \$75,000, ranging from below \$25,000 to greater than \$150,000.

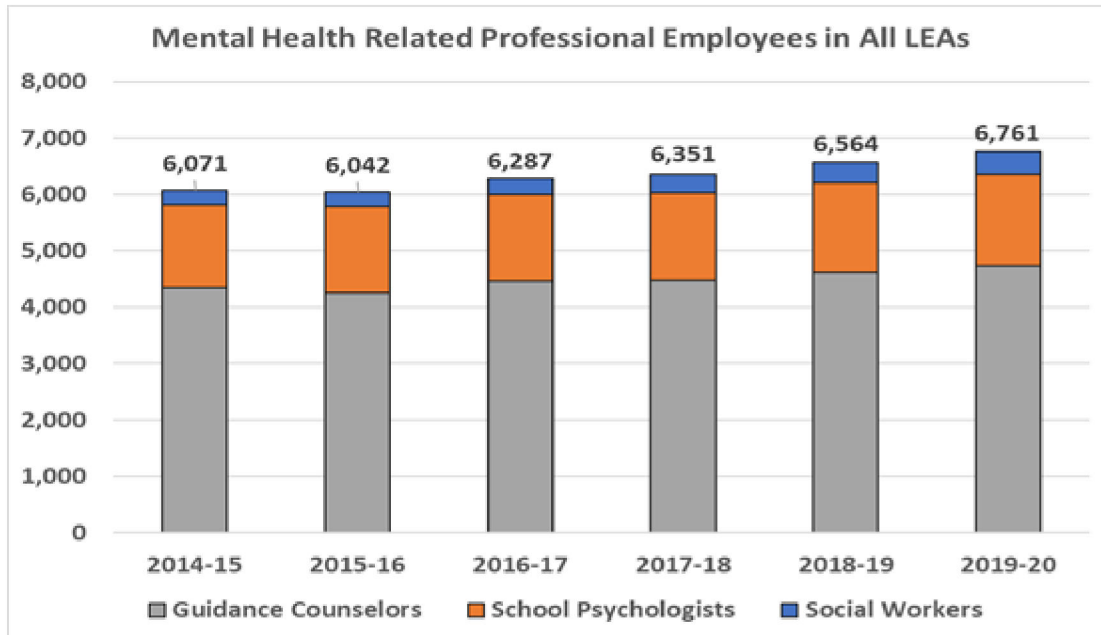
The primary role of school counselors is skill building in areas that impact academic performance, social skills instruction, linking services, life lesson topics, such as bullying, drug abuse awareness, etc., and situational counseling. Statewide, the median salary of a school counselor is about \$71,000, ranging from about \$25,000 to about \$125,000.

In terms of social workers, the primary roles are very broad, and the extent of the role is largely dictated by each LEA. Some social workers provide regular counseling services. Others act more in capacity of a school-community or school-family liaison, prioritizing tending to health needs and family needs that impact learning. Some social workers do a combination on counseling and linking services. Statewide, the median salary of a school social worker is about \$60,000, ranging from about \$25,000 to just below \$110,000.

The graph below illustrates the growth over time of psychological services and social work services provided by LEAs. The per student cost has increased by almost \$50 per student since 2014-15.



While the cost has increased in just those two areas, looking broadly at the number of school counselors, psychologists and social workers, there has not been a significant increase in the overall numbers of these professional employees, despite continued calls to do so. The number of school counselors has remained steady over the past several years, as has the number of psychologists. The only area where there has been some minimal growth is with respect to social workers.



Student Assistance and Other Programs

In addition to supports and services provided to students by the LEA during school hours, school districts and intermediate units also provide mental health services to individual students through referrals to outside agencies. Most of the referrals made by schools are done through the Student Assistance Program (SAP). SAP is a specific program with a defined process that each school is required to implement to assist in identifying issues including alcohol, tobacco, other drug use, and mental health issues which pose a barrier to a student’s success.

According to the PA Department of Education, “the primary goal of the SAP is to help students overcome these barriers so that they may achieve, advance, and remain in school.” Any school employee that believes a student is having an issue that poses a barrier to a student’s success can refer that student to the SAP team. Once the SAP team receives a referral, that student and their parent(s), if required, is contacted to determine if the student should be referred to a mental health liaison who is a trained mental health professional. The mental health liaison, who is not a school employee and generally is paid for by the county, determines if a referral should be made to the appropriate service agency or provider. Once the student is contacted

by the agency or provider, primary care is transferred to agency provider. Updates are provided to SAP teams, and SAP teams review these updates at meetings.

Payment to the agency or provider is generally covered by family primary insurance or Medical Assistance. However, just because school or mental health provider deems a student eligible for services does not mean the services can or will be provided. For example, services may not be provided if the mental health providers in the area do not have anybody credentialed by the family's insurance provider, if there is a waiting list, or if insurance denies authorization.

In addition to SAPs, some schools have entered into agreements with Communities In Schools (CIS), a national program that operates in several states and focuses on targeting supports to students most at risk of dropping out. This program is largely focused on prevention, and it provides more comprehensive and holistic supports for students beyond mental health; however, its goal is focused on bringing connections and community supports into schools, providing at-risk students with access to services and supports that allow them to mitigate the challenges that are preventing them from succeeding academically.

CIS programs involve collaboration between the program coordinators and the school district and in the assessment of system and development of both school-wide and individualized support for students. Such programs are generally funded largely by the school district, with support and some staffing paid for by CIS.

Other mental health services and supports are delivered more generally via intermediate units, where individual school districts contract for the provision of specific services, the intermediate unit provides shared services to all member districts and/or the county provides grant funding for a portion of the costs of specific programs and services to students.

Challenges to Mental Health Services and Supports

Some of the largest challenges to the provision of increased or expanded mental health services and supports to students continues to be cost and staffing. While there is certainly recognition of the value and the need for the creation of more comprehensive and holistic mental health programs at all levels of K-12 education, the challenges of building these programs—and hiring the staff or contracting for the services—are often insurmountable.

As mandated costs for special education, charter school tuition and pensions increase each year and stretch school district budgets, the available resources to add additional staff or even engage contracted mental health services remain uncertain.

Financial barriers to increasing mental health staff within LEAs or contracting with outside providers have made it difficult to meaningfully increase the capacity of schools to expand their mental health supports for students in a meaningful and sustainable way. Referring back to the median salaries of school psychologists, counselors and social workers above, it is difficult for some LEAs to sustainably build additional mental health-focused employees (or even contracted employees) into their budgets.

There has been some targeted support provided to LEAs for increasing or expanding mental health supports in schools through the PA Commission on Crime and Delinquency's efforts to focus on school safety initiatives. As the Commission examined the school safety needs of LEAs, the disparity in mental health supports provided across LEAs and the overall need for increased and improved services was evident, and risk assessments were developed to assist LEAs identify their program's shortcomings and develop solutions to improve the mental health services and supports for students long-term.

Additionally, and most recently, the three rounds of federal COVID relief targeted to LEAs include eligible uses for the provision of mental health supports to students and staff. While it is unclear how many LEAs are anticipating dedicating some of their federal funding for this purpose, the challenge is that these are one-time funds. School districts cannot hire additional staff or build long-term programs with these funds—without a carefully crafted long-term plan to sustain the programs and staff with state or local revenue following the expiration of federal dollars.

On top of the financial challenges, especially those related to the long-term sustainability of these positions in LEAs, is the reality that finding staff or outside services to address the needs of students is nearly impossible in many places across the state.

A shortage of social workers, school counselors, and psychologists impedes any progress LEAs seek to make on the mental health front.

Overall, it is essential that more be done—especially now—to improve the mental health supports for students across the Commonwealth. This certainly includes the provision of greater resources to LEAs prioritizing mental health supports to ensure sustainability of these positions as well as a systemic statewide effort to better incentivize individuals into entering these professions.

It's also critical that we recognize that mental health challenges cannot be effectively and comprehensively addressed and mitigated by examining k-12 education alone. Improving the mental health supports in schools is just one piece of the puzzle to ensure that there are systemic supports in place for students and families across the Commonwealth.

Thank you for your time and attention to such a critical issue.