

# AB 563 (Berman)

## Office of School-Based Health Programs

### SUMMARY

AB 563 would establish an Office of School-Based Health Programs within the California Department of Education to ensure greater access to health care services at schools and draw down more federal funds.

### BACKGROUND

Since the early 1990s, K-12 schools have been eligible to receive reimbursement from the federal government for direct health services provided at school sites through a program called the Local Educational Agency (LEA) Medi-Cal Billing Option Program. Until very recently, these services have been limited to Medi-Cal eligible students enrolled in special education programs. However, due to a federal change to what is known as the “Free Care” rule, this program has been dramatically expanded to all Medi-Cal eligible students.

This change allows for many more eligible students to receive health services at school, including health evaluations, physician services, and mental health and counseling services. When poorly treated, health and mental health conditions can have a devastating impact on school attendance, behavior, and academic achievement.

Historically, California has lagged behind other states in the amount of federal funding received through the LEA Medi-Cal Billing Option Program.

According to the Department of Health Care Services, in 2016 states received on average \$412 in federal reimbursement per eligible student. That same year, California only received \$359 per eligible student. In 2019, California received \$372 per eligible student, whereas some states received up to \$572 per student<sup>1</sup>.

Many schools also participate in the School-Based Medicaid Administrative Activities program, which covers administrative costs for activities such as helping families enroll in and access health services for their students through Medi-Cal.

For this program to run smoothly and maximize funding, schools require support from state agencies responsible for both health and education. However, in California, there is no institutionalized partnership between the Department of Health Care Services, which oversees Medi-Cal, and the California Department of Education to coordinate various health programs and services delivered through schools.

<sup>1</sup><https://www.dhcs.ca.gov/formsandpubs/Documents/Legislative%20Reports/LEA-Medi-Cal-Billing-Option-Program-FY-2018-19.pdf>

The COVID-19 pandemic has exacerbated inequities in health care and education and highlighted the need for student health and mental health services. There is an opportunity for the California Department of Education to play a vital role in meeting this growing demand by increasing school participation and assisting schools that are currently providing these services to their Medi-Cal students.

## **THIS BILL**

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AB 563 would, by July 1, 2022, establish an Office of School-Based Health Programs within the California Department of Education. Specifically, the office would:

(1) Advise the California Department of Education on opportunities for effective coordination between health and education systems at the state, regional, and local levels to advance school-based health programs, and on strategies to leverage school-based Medi-Cal programs.

(2) Consider opportunities for expanding services, simplifying the administration of school-based health programs, increasing school participation, and maximizing allowable federal financial participation in the school-based health programs.

(3) Provide technical assistance, outreach, and informational materials to schools on allowable services and on the submission of claims.

The bill would also require the Department of Health Care Services to include in its yearly report to the Legislature a summary of the increase in federal funds drawn down as a result of the activities of the office.

Establishing the Office of School-Based Health Programs would ensure a coordinated approach to assist schools in meeting the increased demand for student health and mental health services while drawing down more federal dollars.

## **SUPPORT**

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California Association of Student Councils  
(cosponsor)

California School Boards Association  
(cosponsor)

California School-Based Health Alliance  
(cosponsor)

California School Nurses Organization  
(cosponsor)

California Teachers Association (cosponsor)  
Teachers for Healthy Kids (cosponsor)

## **OPPOSITION**

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None on File

## **FOR MORE INFORMATION**

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