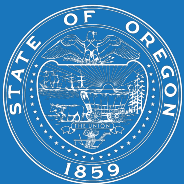


Executive Summary: Senate Bill 1557 Legislative Report— School-Based Health Services Medicaid Program

Oregon Health Authority and
Oregon Department of Education

October 1, 2024



Health care practitioners and health services in school settings advance an inclusive environment that supports diverse learning needs and contributes to a comprehensive support system for students. As a result, students with health-related needs can attend school, learn, build social skills and connections, and increase overall confidence. These outcomes lay the foundation for lifelong success, wellness and well-being. School-based health services, required for students under the Individuals with Disabilities Education Act (IDEA) and Section 504 of the Rehabilitation Act of 1973, not only address individual student needs but also promote a positive and inclusive learning environment for all students.

There is a high need for health care practitioners and health services in school settings, but Oregon education agencies are facing a budget shortfall. Oregon school districts have the option of participating in the School-Based Health Services (SBHS) Medicaid billing program, which provides partial reimbursement for the delivery of covered health services to students enrolled in Medicaid (SBHS Medicaid billing is mandatory for Early Intervention/Early Childhood Special Education [EI/ECSE] programs). However, only 59 (including EI/ECSE programs), or about 30 percent, of Oregon’s school districts currently participate in the program.

To address the high need for and importance of school health services and to begin to close funding gaps for education agencies, Senate Bill (SB) 1557 directed ODE and OHA to develop strategies and recommendations to leverage federal Medicaid or CHIP funds to support the inclusion, academic success and well-being of all Oregon students under 21 years of age who are eligible for medical assistance and receiving school health services. ODE and OHA must provide a report to the Oregon Legislature outlining the strategies and recommendations developed. The report must contain, at minimum:

- Strategies to simplify medical assistance billing for school districts (addressed by Findings 1, 2 and 3).
- Recommendations for any needed investments in infrastructure, including staff and technology, to ensure low-barrier access to services in the medical assistance program for eligible students (addressed by Findings 3 and 4).
- Specific recommendations related to leveraging federal funds to increase access to school-based services (addressed by Findings 3 and 4).

Each Oregon education agency is unique in physical structure, staffing, geographic location, student demographics and size. Each education agency develops its own SBHS Medicaid billing processes, cost rates and billing priorities. There is also significant variation in how health care practitioners provide and document services in school settings: education agencies employ health care practitioners directly, use practitioners hired and supervised by their local education service districts (ESDs) and/or contract for health services, either in-person or via

telehealth. This adds layers of complexity in determining the best methodology for improvements to the SBHS Medicaid program. Despite this complexity, in collaboration with school districts, ESDs, EI/ECSE programs and other health and education partners, ODE and OHA identified key systems and structures required to successfully and sustainably bill the SBHS Medicaid program for health services provided to students. ODE and OHA surveyed and solicited feedback from participating and non-participating education agencies and other health and education partners to better understand the barriers experienced and generate suggestions for improving the SBHS Medicaid program.

ODE and OHA offer the following findings and recommendations:

Finding 1: Shortage of school health care practitioners and program administrators.

Recommendation 1: Invest in school health care practitioners and program coordinators to support billing for eligible services.

Finding 2: Absence of statewide technology platforms.

Recommendation 2: Invest in a statewide study to determine education agency technology needs and preferences, to inform a necessary, future investment in technology infrastructure.

Finding 3: Need for training and professional development.

Recommendation 3: Dedicate funding to support ESDs as regional supports for school districts and EI/ECSE programs.

Finding 4: Administrative complexity and barriers to accessing reimbursement.

Recommendation 4: Fund ODE and OHA to research, analyze and implement options to reduce the administrative complexity of the SBHS Medicaid program and increase reimbursement for school-based services.

A member of the Legislative Assembly can find the full Legislative Report on the [Oregon Health Authority's "2025 OHA Legislative Requests" page](#), or they may contact the Oregon Health Authority government relations division at OHA.governmentrelations@oha.oregon.gov.