



March 21, 2017

Re: Concerns with Proposals in The American Health Care Act

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Paul Ryan  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Nancy Pelosi  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

Dear Majority Leader McConnell, Speaker Ryan, Minority Leader Schumer, and Minority Leader Pelosi:

The National Alliance of Specialized Instructional Support Personnel (NASISP) wishes to express serious concerns that the American Health Care Act (ACHA) will jeopardize healthcare for the nation's most vulnerable children: students with disabilities and students in poverty. NASISP is a coalition of national professional organizations whose members provide a variety of school-based mental and physical health services – some of which are funded with Medicaid dollars – including prevention, early identification, and intervention services that remove barriers to learning and assist students in becoming effective learners and productive citizens. We serve all students in both general and special education settings. Our organizations represent over a million professionals, including school counselors, school nurses, school psychologists, school social workers; occupational therapy practitioners, physical therapists; art, dance/movement, and music therapists; speech-language pathologists, and audiologists; and the major national organizations representing general and special education teachers and administrators.

We are concerned restructuring Medicaid to a per capita cap system will undermine States' ability to provide America's neediest children access to vital healthcare necessary to ensure they are able to succeed in school and beyond. Medicaid is a cost-effective and efficient provider of essential health care services for children. School-based Medicaid programs in particular serve as a lifeline to children who can't access critical healthcare and services outside of their school. Under this bill, the bulk of the costs for health care coverage would be shifted to the States even though health needs and costs of care for children will remain the same or increase. States and local communities will have to compensate for this federal disinvestment in our children's healthcare. If they cannot adequately make up the difference in federal funding, then providers will be forced to cut eligibility, services and benefits for children. The current proposals in the American Health Care Act will disproportionately harm children's access to care, including services received at school. We urge you to work with your colleagues to ensure our nation's most vulnerable children do not lose access to the vital comprehensive health care services they need in school and in the community.

**Schools Provide Critical Health Care for Students**

A school's primary responsibility is to provide students with a high-quality education. However, children cannot learn to their fullest potential with unmet health needs. As such, specialized instructional support personnel

regularly provide critical health services to ensure all children are ready to learn and able to thrive alongside their peers. Schools deliver services effectively and efficiently since school is where children spend their days. Increasing access to healthcare services through Medicaid improves health care and educational outcomes for students. Providing health and wellness services for students in poverty and services that benefit students with disabilities ultimately enables more children to become employable and attend higher education.

Since 1988, Medicaid has permitted payment to schools for certain medically necessary services provided to children under the Individuals with Disabilities Education Act (IDEA) through an individualized education program (IEP) or individualized family service plan (IFSP). Schools are thus eligible to be reimbursed for direct medical services to Medicaid-eligible students with an IEP or IFSP. In addition, districts can receive Medicaid reimbursements for providing Early and Periodic, Screening, Diagnostic and Treatment benefits (EPSDT) for Medicaid-eligible children under age 21. The goal of EPSDT is to assure health problems are diagnosed and treated as early as possible before the problems become complex and treatment is more expensive.

School districts use Medicaid reimbursement funds in a variety of ways to help support the learning and development of the children they serve. In a [2017 survey of school districts](#), district officials reported that two-thirds of Medicaid dollars are used to support the work of specialized instructional support personnel and other health professionals who provide comprehensive health and mental health services to students. Districts also use these funds to expand the availability of a wide range of health and mental health services to students in poverty, who are more likely to lack consistent access to healthcare professionals. Further, some districts depend on Medicaid reimbursement to purchase and update specialized equipment (e.g., walkers, wheelchairs, exercise equipment, special playground equipment, and equipment to assist with hearing and vision), as well as assistive technology for students with disabilities to assist them in learning.

School districts would stand to lose much of their funding for Medicaid under the current proposal. Schools currently receive roughly \$4 billion in Medicaid reimbursements each year. Under this proposal, States would no longer have to consider schools as eligible Medicaid providers, leaving districts with the same obligation to provide services for students with disabilities under IDEA, but no Medicaid dollars to provide medically-necessary services. Schools would be unable to provide EPSDT to students. Instead, screenings and treatment currently provided in school settings would have to be delivered in physician offices, which may be less accessible for families, or in hospital emergency rooms where costs are much higher.

In addition, basic health screenings for vision, hearing, and mental health problems would no longer be possible, making these problems more difficult to address and more expensive to treat. Moving health screenings out of schools also reduces access to early identification and treatment, resulting in more costly treatment down the road.

### **The Consequences of Medicaid Per Capita Caps Will Potentially Be Devastating for Children**

Significant reductions to Medicaid spending could have devastating effects on children, especially those with disabilities. Due to the underfunding of IDEA, districts rely on Medicaid reimbursements to ensure students with disabilities have access to the supports and services they need to access a free appropriate public education, as required by federal law. Potential consequences of this critical loss of funds include:

- **Fewer health services:** Providing comprehensive physical and mental health services in schools improves accessibility for many children and youth, particularly in high needs and hard to serve areas such as rural and urban communities. In a 2017 [survey](#) of school district leaders, half indicated they have recently taken steps to increase Medicaid enrollment in their districts. Reduced funding for Medicaid would result in decreased access to critical healthcare for many children and youth.
- **Cuts to general education:** Cuts in Medicaid funding would require districts to divert funds from other educational programs to provide the services as required under IDEA. These funding reductions could result in program eliminations in other areas of the education system.

- **Job loss:** Districts use Medicaid reimbursement to support the salaries and benefits of the staff performing eligible services. Sixty-eight percent of districts use Medicaid funding to pay direct salaries for health professionals who provide services for students. Cuts to Medicaid funding would impact districts' ability to maintain employment for school nurses, physical and occupational therapists, speech-language pathologists, school social workers, school psychologists, and many other critical school personnel who ensure students with disabilities and other students with a variety of educational needs are able to learn.
- **Fewer critical supplies:** Districts use Medicaid reimbursement for critical supplies such as wheelchairs, therapeutic bicycles, hydraulic changing tables, walkers, lifts, and student-specific items that are necessary for each child to access curriculum as closely as possible to their non-disabled peers. Replacing this equipment would be difficult if not impossible without Medicaid reimbursement.
- **Fewer mental health supports:** Seven out of ten students receiving mental health services receive these services at school. Cuts to Medicaid would further marginalize these critical services and leave students without access to care.
- **Noncompliance with IDEA:** Given the failure to commit federal resources to fully fund the IDEA, Medicaid reimbursement serves as a critical funding stream to help school provide the specialized instructional supports students with disabilities need to be educated with their peers.

We urge you to carefully consider the important benefits that Medicaid, as it is currently structured, provides to our nation's most vulnerable children. Schools are often the hub of the community, and converting Medicaid to a per capita cap system threatens to significantly reduce access to comprehensive physical, mental and behavioral health care for children with disabilities and those living in poverty. We look forward to working with you to prevent unwarranted changes to this highly effective and beneficial program.

If you have questions about the letter or wish to meet to discuss this issue further, please do not hesitate to reach out to the coalition co-chairs via email: Kelly Vaillancourt Strobach ([kvaillancourt@naspweb.org](mailto:kvaillancourt@naspweb.org)); Libby Nealis ([libbynealis@yahoo.com](mailto:libbynealis@yahoo.com)) or Abe Saffer ([asaffer@aota.org](mailto:asaffer@aota.org)).

Sincerely,

American Art Therapy Association  
 American Council of School Social Work  
 American Dance Therapy Association  
 American Federation of Teachers  
 American Music Therapy Association  
 American Occupational Therapy Association  
 American Physical Therapy Association  
 American Psychological Association  
 American Speech Language Hearing Association  
 Council for Exceptional Children  
 National Association of Pupil Services Administrators  
 National Association of School Nurses  
 National Association of School Psychologists  
 National Association of Social Workers  
 National Association of State Directors of Special Education (NASDSE)  
 National Education Association  
 School Social Work Association of America

CC: Members of the House of Representatives