



TRANSITION OF SCHOOL-BASED HEALTH BENEFIT INTO MEDICAID MANAGED CARE – CONSIDERATIONS

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BACKGROUND

- The School-Based Health Centers (SBHC) and School-Based Health Center-Dental program was established in recognition of the need to improve primary and preventive health care of children in low-income, high-risk communities
- Since 1981, state, federal and private foundation funds have been used to develop and implement projects to provide these expanded school health services for pre-school and school age children through health teams composed of nurse practitioners, physician assistants, community health aides, collaborating physicians, social workers, psychologists, collaborating psychiatrists, health educators, nutritionists, dentists and dental hygienists.



BACKGROUND

- “Carving-in” the School-Based Health Center (SBHC) program into Medicaid managed care has been a long-term goal of the Medicaid Redesign Team
- Due to the unique operating characteristics/requirements of SBHCs, the program does not align with traditional Medicaid managed care payment models
 - Advocacy groups have effectively delayed the transition of the SBHC program to managed care until now
- Effective April 1, 2025, the provision of SBHC services is being incorporated into the Medicaid managed care benefit package
 - Transition Goal: To maintain access of critical School Based services while integrating the services into a larger health care delivery system. It’s anticipated that the integration of School Based services within the managed care framework, and coordination of services with the child’s Primary Care Provider, will improve quality and promote an efficient, effective delivery system



BACKGROUND

- In January 2014, the Children’s Defense Fund published a document titled – *“School-Based Health Centers in New York State: Ensuring Sustainability and Establishing Opportunities for Growth”*
 - CohnReznick co-authored the report and provided the financial analysis 
- Unfortunately, New York State did not consider some of the  recommendations:
 - Transitioning SBHCs to receive Medicaid reimbursements via managed care should be phased in prior to full implementation
 - School-based health centers should not be required to complete credentialing and automatically be recognized by managed care organizations as designated providers for specified services
 - After being carved in to managed care, school-based health centers should receive Medicaid financing inclusive of a per-member-per-month rate
- New York State has issued guidance to SBHCs and Medicaid managed care plans on the billing and payment transition



REIMBURSEMENT AND OPERATIONAL CONSIDERATIONS

- Contract:
 - Secure amendment/contract to include reimbursement terms for SBHC services. This may include contracting with Medicaid managed care and Independent Practice Association (IPA) plans.
 - Ensure address and name of each SBHC location is included.

- Reimbursement:
 - *Pursuant to contract reimbursement terms. Medicaid managed care and IPA plans are not required to issue reimbursement at the FQHC PPS rates*
 - MMCs are required to issue retrospective payment from the date the application is received by the MMCP for FQHCs without a contract effective date of 4/1/2025.
 - Plans are required to provide the same scope of services under managed care as is available to Medicaid recipients and may issue denials for services that exceed Medicaid program service limits



REIMBURSEMENT AND OPERATIONAL CONSIDERATIONS

- Credentialing:
 - SBHC staff must be credentialed
- Education:
 - Caregivers/parents
 - School-based providers and support staff
 - Billing and front-end staff
- Practice Management System Configuration:
 - Determine what, if any updates, are required to ensure seamless transition to complete insurance verification and claim creation and submission
 - Ensure wraparound and court ordered rate code configuration is flawless
 - Explore creating pre-billing rules to identify claims with incorrect insurance information



REIMBURSEMENT AND OPERATIONAL CONSIDERATIONS

- Billing:
 - All claims must contain a valid primary diagnosis code
 - Confirm if MMC/IPA plan requires specific billing data elements for payment consideration.
 - Follow existing workflows for Wraparound and Court Ordered Rate Code (CORC) reimbursement

- Report Updates:
 - Internal reports to ensure patient services revenue is classified as Medicaid managed care
 - MCVR report, for CY 2025 (due in 2026) dates of service 4/1-12/31/2025
 - CHPlus MVR report, beginning with dates of service 4/1/2025
 - AHCF and UDS reports



OVERVIEW





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