Budgeting for Educational Equity

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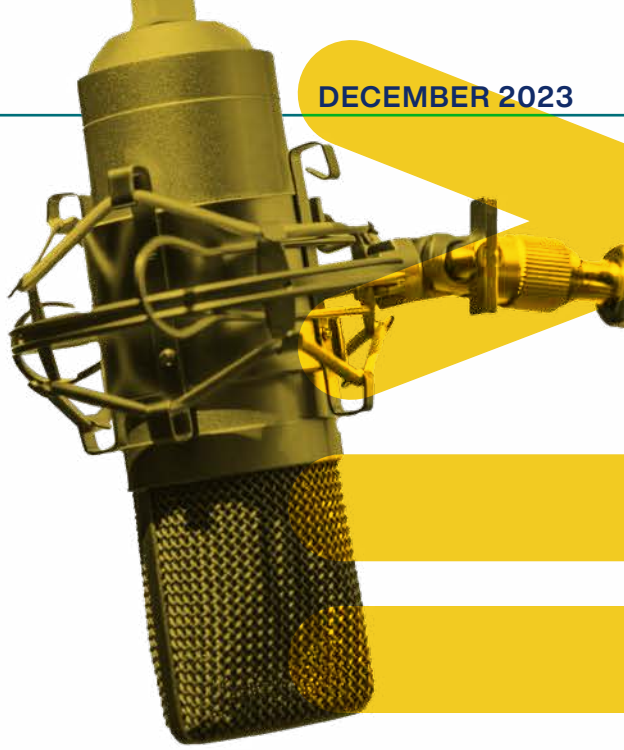

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LEVERAGING INTERAGENCY COLLABORATION AND STATE FUNDING TO ENHANCE STUDENT BEHAVIORAL HEALTH

Budgeting for Educational Equity is made possible by support from both the Sobrato Family Foundation and CASBO. **Budgeting for Educational Equity is a podcast series that explores how education resources can be allocated to better meet the needs of all students. This brief is designed to provide opportunities for the listener to engage in tangible, practical application of the lessons derived from each podcast episode. The brief can serve as a launching point for cultivating discussions about equity within communities and school district administrative offices. Episodes can be found on the Budgeting for Educational Equity Podcast Series webpage.**

INTRODUCTION

Although schools and communities have been calling attention to child and youth behavioral health needs and challenges for many years, the COVID-19 pandemic drew renewed attention to them.[1] In large part to address these needs and challenges, California launched a number of state initiatives, paired with funding, to transform the practices, roles, and strategies for collaboration necessary to address student behavioral health.[2] As a result, funding opportunities are available to support students holistically across sectors, with schools playing a key role. In this episode, Dr. Chaun Powell, Senior Chief of Student Services for the Alameda County Office of Education, helps us explore questions related to this topic, including these:

- How can local educational agencies (LEAs) innovate to increase and sustain funding sources for student services?
- How can we build and strengthen collaboration and coordination across systems?
- How can school leaders center equity as they carry out these efforts?

This brief explains some of the major initiatives discussed in the episode and presents best practices LEAs can leverage in accessing new billing opportunities for school-based behavioral health services.

OVERVIEW OF MAJOR INITIATIVES

Transformational initiatives are not new for California LEAs, but what makes these opportunities different from prior efforts is (1) the focus on collaboration across education and health sectors, with many initiatives emphasizing untraditional partnerships, such as those among LEAs, school-based providers, and managed care plans, and (2) an intentional focus on funding strategies that will sustain student behavioral health supports. Table 1 provides descriptions of some of the major initiatives and one-time investments discussed in the episode that aim to create a more integrated system to serve children and their families holistically.

TABLE 1: CALIFORNIA INITIATIVES THAT EXPAND SUSTAINABILITY AND PROMOTE COLLABORATIONS

Initiative name and length	Description	Sustainability and/or new collaboration
Children and Youth Behavioral Health Initiative (CYBHI) (2022–2027)	A 5-year, $4.7 billion initiative that intends to transform the way California supports children, youth, and families by reimagining a more integrated, child- and youth-centered system that meets the behavioral health needs of all young people, particularly those who face the greatest systemic barriers to wellness.[3] One of the projects of the CYBHI is the development of the **multi-payer fee schedule**.	$ Ongoing funding for behavioral health services through new multi-payer fee schedule.  Commercial and Medi-Cal–managed care plans that partner with LEAs and fund school-based behavioral health services directly.
California Community Schools Partnership Program (CCSPP) (2022–2029)	A program to provide start-up and implementation grants and technical assistance to LEAs. The goal of the program is to establish new or expand existing community school programs with strong partnerships between LEAs and community-based providers so that schools can integrate health, mental health, and social services; trauma-informed care; and academic education programs in order to support students and families.	 Integration with other community partners that serve students and families.
Family First Prevention Services Program (began 2022)	A program that reforms the child welfare system with the goals of (1) establishing a coordinated continuum of services among systems that serve children and families; (2) improving outcomes for children and families, reducing entries into foster care, and reducing disparities in California's foster care system; and (3) reaffirming the state's commitments to Indian children, families, caregivers, and tribes.[4]	$ Ongoing prevention-oriented child welfare funding.  County-level partnerships among social services, health, and education to develop a coordinated system of services.

Initiative name and length	Description	Sustainability and/or new collaboration
California Advancing and Innovating Medi-Cal (CalAIM) (began 2022)	A broad transformation of Medi-Cal to create a more coordinated, person-centered, and equitable health system that works for all Californians, including many initiatives to expand Medi-Cal coverage of and access to behavioral health services.[5]	Community-based supports for Medi-Cal enrollees.

MULTI-PAYER FEE SCHEDULE AND IMPLICATIONS FOR SUSTAINABILITY

One of the major innovations of the Child and Youth Behavioral Health Initiative (CYBHI) is the creation of a multi-payer fee schedule, which will provide ongoing funding for school-linked mental health or substance use disorder services provided to students 25 years of age or younger at or near a school site.[6] Health plans are required to reimburse for covered services at or above the rates established by the state. Schools that elect to participate will have access to an ongoing funding mechanism for student behavioral health services that

- applies to both Medi-Cal and commercial health plans, reducing the uncertainty many LEAs and partners face serving students with only one type of health coverage (i.e., Medi-Cal);
- covers a wide range of providers that are used frequently by schools to deliver services to students, such as Pupil Personnel Services–credentialed practitioners and wellness coaches (a new role);[7]
- simplifies reimbursement through a fee-for-service model (compared with the cost reimbursement model of the LEA Medi-Cal Billing Option Program [LEA BOP][8]) in which LEAs are paid a set rate for each covered service provided to students; and
- eases administrative burdens by streamlining reimbursement through one rate schedule and through the development of a third-party administrator that will support claims for services.[9]

The fee schedule is a profound shift in how child and youth behavioral health services are delivered and funded in that it further breaks down the barrier between health and education sectors. **The fee schedule recognizes the role schools and school-linked partners play in providing pediatric and adolescent health services, traditionally considered the purview of the health care system, by leveraging health care dollars to fund and sustain these valuable services.** The fee schedule is also a recognition of the role schools and school-linked partners play in reducing disparities in access to behavioral health services for children and youth by providing those services in trusted, accessible settings (i.e., schools).

PREPARING FOR THE FEE SCHEDULE

If LEAs already partner with county behavioral health departments or participate in the LEA BOP (currently about 50 percent of California noncharter LEAs do), then they are likely already familiar with the infrastructure required to leverage health care funding for school-based services. The multi-payer fee schedule is no different. To prepare LEAs and develop resources, the state will roll out the fee schedule progressively during 2024. A small cohort of LEAs were selected in December 2023 to participate in a learning cohort that begins January 2024 in order to inform policies and guidance. A second cohort will be selected to join the fee schedule beginning July 2024, and open enrollment into the fee schedule will begin in January 2025. Recognizing that many more details and supports are forthcoming, LEAs should prepare for the fee schedule by doing the following:

- **Practice blending and braiding.** With few exceptions, billing for services is unlikely to generate enough revenue to cover all the costs of delivering comprehensive behavioral health services in schools. A comprehensive model provides a continuum of services, interventions,

and programs, from schoolwide to intensive.[10] The fee schedule does not cover all the programs and interventions in Tier 1 completely, nor does any third-party reimbursement program. As a result, LEAs will still need to leverage other funding sources (such as local control funding formula base funds) to build out a comprehensive school behavioral health system in addition to the services that are and will be billable.

- **Invest in administrative systems.** Any program that reimburses for health services by using health care dollars will require some adaptation of the school system to meet certain baseline billing and processing requirements. For the fee schedule, these requirements will likely include documenting the services provided, submitting claims using standard health care coding or other requirements that indicate units of service, managing practitioner licensing and credentialing requirements, and submitting evidence that services were necessary and appropriate, often through documentation or claiming processes. School leaders should think of these administrative requirements as analogous to other reporting burdens associated with time accounting for the Every Student Succeeds Act (ESSA) Title 1 funding or for one-time state or federal grants.
- **Prepare for the complexity of health services in school settings.** Delivering health services in school settings is rife with the complexities of integrating two systems. Some surmountable challenges include delivering confidential and sensitive behavioral health services, adhering to privacy laws for educational *and* health care data, and following protocols for informing parents and guardians about the services available and gathering consent to provide services or share information about services for the purposes of billing. School leaders should be reassured that, although challenging, there are many successful examples of tackling these complexities and that these complexities are not unfamiliar to the decades-old school-based health movement.[11]

PROMOTING INTEGRATION AND COLLECTIVE IMPACT: LESSONS FROM THE FIELD

Education and other child- and family-serving agencies operate under different statutes and laws, distinct processes for accessing resources, and different visions for how best to support children and families. These differences make collaboration between agency leaders complex and can result in misunderstandings about how and why their respective systems function the way they do. The resulting outcomes are a lack of coordination and the perpetuation of various siloed systems, which creates two overarching problems:

- Services are less targeted and preventative, thus more inefficient. Systemic siloing and insufficient community engagement prevents a shared and more holistic understanding about what children, youth, and families need. This prevents developing and providing more effective services.
- Services are burdensome for children and families to navigate, diminishing access to supports and replicating resource inequities. Children and families, particularly those with the most needs and fewest resources, are faced with the monumental task of seeking and obtaining services across many systems with different access points.

> *"[Families] don't have the capacity to work with 13 different people from 13 different agencies. And so one of the things that schools can offer is a place for some coordination and alignment of the supports and services."*
>
> *—Dr. Chaun Powell*

Consequently, many new state initiatives are focused on breaking down the siloed systems with the goal of incentivizing better intra- and cross-agency collaboration and integration. The 2023 working paper *California's Children & Youth Behavioral Health Ecosystem*, commissioned by the California Health and Human Services Agency, further explores the causes and systemic consequences of these silos and how the ecosystem can be integrated through the deliberate implementation of a collective impact approach.[12] The paper emphasizes the need to move beyond "siloed collaboration models" and instead pursue "one seamless and responsive child-serving system." The paper recommends the following implementation steps for pursuing a redesigned behavioral health ecosystem at the local level:

1 | Identify and build a leadership team that sets a shared vision and mission and holds children and families at its core. Put existing local, county, and regional integrative structures in touch with children, youth, and parents to form a collective impact structure and identify how to collect authentic input from children, youth, and families that can inform the vision.

2 | Conduct a needs assessment and develop shared goals. Identify forums to engage communities in identifying shared goals and success metrics. Then, to understand what a system that earns trust and supports historically underserved communities well looks like, use the forums to proactively recognize past harms and emphasize the voice of these communities.

3 | Initiate actions on a service array and workforce. Define the universe of behavioral health services, identify assets and gaps in the current landscape, clarify responsibilities across agencies, reduce documentation burdens, and create pathways for children, youth, families, and individuals who serve them to access services. Additionally, it is important to support the underrepresented groups in the behavioral health workforce by amplifying and supporting their ideas and creating pipeline programs to increase the diversity of the workforce.

4 | Put into place conditions for sustainability, including financing, continuous quality improvement, and data processes. Take advantage of state funds that can be braided and of new opportunities, such as the CYBHI multi-payer fee schedule, to increase funding sustainability and reduce billing complexity. Facilitate continuous improvement by developing ethics and equity standards for data sharing and utilizing data and cross-agency data dashboards in order to track progress.

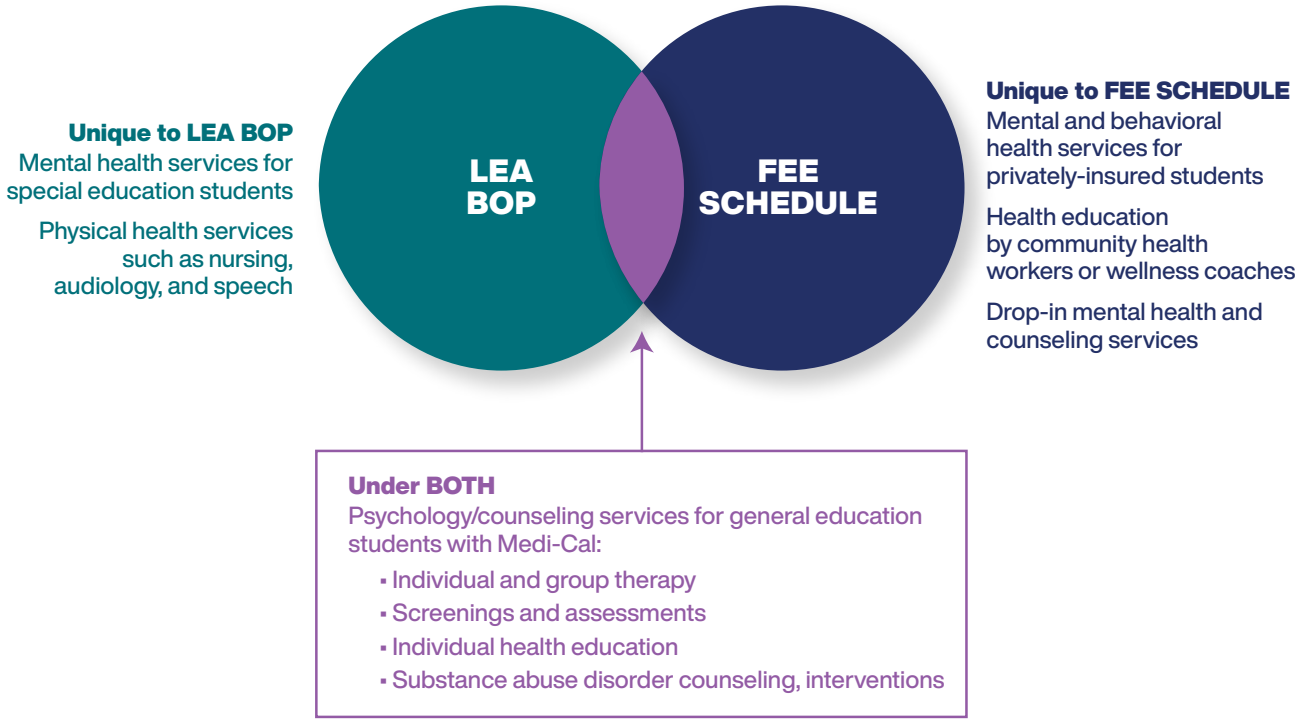
Redesigning the Behavioral Health Ecosystem: An Example of Cross-Agency Teaming

To better understand how different agencies in Santa Clara County were serving students and to identify overlap, the county put together a cross-collaborative leadership team that included the county behavioral health department, health plans, the county office of education, and community-based providers that contracted with these agencies. The team identified the priorities and intersections of CYBHI, CalAIM, and community schools and discussed metrics that were important for each sector (e.g., suspensions and attendance in education, community health indicators for the health plans). The team worked together to map out the different ways their systems interacted with students and families, such as the systems' varied responses to behavioral health referrals.

LEVERAGING THE MULTI-PAYER FEE SCHEDULE

With the launching of the multi-payer fee schedule, starting with Cohort 1 in January 2024 and becoming universally available in January 2025, LEAs and school financing systems will have choices to make regarding how to leverage the fee schedule and LEA BOP. The fee schedule provides schools with a fee-for-service reimbursement program for covered behavioral health services provided to Medi-Cal and privately-insured students. The LEA BOP is a cost-reimbursement program that covers a range of health services, including mental health, for students enrolled in Medi-Cal. There are types of services and populations unique to both programs and some services that are covered under both programs (Figure 1).

FIGURE 1. UNIQUE AND OVERLAPPING SERVICES PROVIDED BY THE MULTI-PAYER FEE SCHEDULE AND LEA BOP



WHAT SHOULD YOUR LEA DO?

Here are some questions and considerations to support a school finance system's analysis of the opportunities and trade-offs of LEA BOP and the multi-payer fee schedule.

Services Unique to LEA BOP

Does your LEA already participate in LEA BOP?

If yes:

Are you fully leveraging the program?

- Are you billing for medically necessary health services for general education students?
- What covered services are you billing for?

If no:

Should you consider participating in the LEA BOP?

- What percentage of your students qualify for free or reduced-price meals (which can be a proxy for Medi-Cal eligibility)?
- Consider the list of covered services and the costs associated with providing them. Do you have staff providing these services, or do you contract for these services?

Services Under BOTH

Does your LEA already participate in LEA BOP?

If yes:

Which program provides greater reimbursement for services covered by both programs?

If no:

Can your LEA adhere to the administrative requirements of billing the health system for behavioral health services?

What one-time or short-term resources are available to set up billing infrastructure for your LEA?

What funding (and how much) are you using currently to cover these services for students? If you have been able to generate some reimbursement, how much funding could be diverted to other expenses or programs for students? If the current funding is short-term, could generating revenue through billing help sustain these services after short-term funding expires?

Services Unique to FEE SCHEDULE

What percentage of your students are commercially or privately insured?

To what extent is your LEA delivering the mental and behavioral health services covered under the fee schedule?

Are you contracting with a mental health provider that has only been able to provide services to Medi-Cal students? Would expanding these services to privately insured students improve how your school meets the needs of all students?

What funding (and how much) are you using currently to cover these services for students? If you have been able to generate some reimbursement, how much funding could be diverted to other expenses or programs for students? If the current funding is short-term, could generating revenue through billing help sustain these services after short-term funding expires?

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2 Office of Governor Gavin Newsom. (2022, August 18). *Governor Newsom unveils new plan to transform kids' mental health* [Press release]. https://www.gov.ca.gov/2022/08/18/governor-newsom-unveils-new-plan-to-transform-kids-mental-health/

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4 California Department of Social Services. (n.d.). *Family First Prevention Services (FFPS) Program*. https://www.cdss.ca.gov/inforesources/cdss-programs/ffpsa-part-iv/ffps-program

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6 Department of Health Care Services. (n.d.). *Statewide multi-payer school-linked fee schedule*. State of California. https://www.dhcs.ca.gov/CYBHI/Pages/Fee-Schedule.aspx

7 "Wellness coach" is a new professional role whose purpose is to address workforce shortages and offer nonclinical services that support child and youth behavioral health and well-being such as wellness promotion and education, screening, care coordination, individual and group support, and crisis referral. See Department of Health Care Access and Information, 2023, *Wellness Coach Model* [PowerPoint presentation], https://hcai.ca.gov/wp-content/uploads/2023/07/HCAI_Wellness-Coach-Model_June-23.pdf

8 The LEA Medi-Cal Billing Option Program reimburses LEAs for the federal share of the costs of providing approved health-related services to Medi-Cal–eligible students.

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10 Hoover, S., Lever, N., Sachdev, N., Bravo, N., Schlitt, J., Acosta Price, O., Sheriff, L., & Cashman, J. (2019). *Advancing comprehensive school mental health systems: Guidance from the field*. National Center for School Mental Health, University of Maryland School of Medicine. Available at https://www.schoolmentalhealth.org/media/SOM/Microsites/NCSMH/Documents/Bainum/Advancing-CSMHS_September-2019.pdf

11 Love, H. E., Schlitt, J., Soleimanpour, S., Panchal, N., & Behr, C. (2019). Twenty years of school-based health care growth and expansion. *Health Affairs*, *38*(5), 755–764. https://www.healthaffairs.org/doi/10.1377/hlthaff.2018.05472; Panchal, N., Cox, C., & Rudowitz, R. (2022). *The landscape of school-based mental health services*. Kaiser Family Foundation. https://www.kff.org/mental-health/issue-brief/the-landscape-of-school-based-mental-health-services/

12 California Health and Human Services. (2023). *Working paper: California's children & youth behavioral health ecosystem*. https://www.chhs.ca.gov/wp-content/uploads/2023/02/Ecosystem-Working-Paper-_-ADA.pdf