



January 24, 2024

Dear Governor:

Over the last three years, we have heard from your offices, parents and families, students, teachers, and advocates about the mental health crisis facing too many children and youth across the United States today. Access to mental health care is critical to the well-being and success of our children and youth and their families. We write today to share a new funding opportunity for states to help tackle the mental health crisis we're facing and expand access to health care services, including mental health services, directly in schools.

Today, the Biden-Harris Administration is releasing a Notice of Funding Opportunity, *State Grants for the Implementation, Enhancement, and Expansion of Medicaid and CHIP School-Based Services*,¹ that will make it easier for states to support schools in providing critical health care services, especially mental health services, for millions of students and youth across the nation. The funds, awarded through the Centers for Medicare & Medicaid Services (CMS), are the latest in a series of actions by the U.S. Department of Health and Human Services (HHS) and the U.S. Department of Education (ED) that reflect a whole-of-government approach to meet families where they are and to ensure that children have access to the health care they need.

The grant, provided under section 11003 of the Bipartisan Safer Communities Act (BSCA), will deliver \$50 million in funding to state Medicaid programs to better connect millions of children to quality health care by supporting the implementation, enhancement, and expansion of Medicaid school-based services. CMS intends to award 20 state grants of up to \$2.5 million each over a three-year period, with a focus on those states that are poised to make changes to their Medicaid or Children's Health Insurance Program (CHIP) state plan to allow schools to provide more services to children, especially those in rural and other underserved areas. States will be specifically evaluated on the engagement of and collaboration with state and local education agencies, as well as on their plan to sustain the activities initiated with grant funding.

As governor, you have an opportunity to increase Medicaid funding to your state for health care services provided in your schools. Moreover, students are often more likely to receive care when schools offer services on-site or have referral systems in place to link students to community-based sources of health care. Under your direction, your state's Medicaid agency and state educational agency (SEA) can work together to amend your state Medicaid plan, improve and increase Medicaid reimbursement for services provided in schools, and take advantage of this new funding opportunity.

The grant opportunity released today is the most recent step taken by the Biden-Harris Administration to support school-based mental health, as part of the implementation of the

¹ <https://grants.gov/search-results-detail/350998>


BSCA, and reflects a whole-of-government approach to meet families where they are and to ensure that children and youth have access to the health care they need. This grant announcement builds on actions HHS and ED have taken since the beginning of the Biden-Harris Administration to expand access under Medicaid to school-based health care and trauma-informed services. These actions include the release of *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming*² and the launch of the Medicaid and School-Based Services Technical Assistance Center.³ The guide and technical assistance center were both developed by CMS in consultation with ED to make it easier for schools to provide and receive payment for health care services delivered to millions of eligible students. These actions are in addition to supporting 16 states that currently cover school-based health services for all Medicaid and CHIP-eligible children, not only for those children who have individualized education programs (IEPs) or individualized family service plans (IFSPs) under the Individuals with Disabilities Education Act.⁴ CMS hopes that more states will follow suit, and that the 16 early adopter states will use this opportunity to enhance and refine their school-based health programs.

This work builds on other HHS actions taken to expand access to school-based health care including: the Substance Abuse and Mental Health Services Administration (SAMHSA) awarding almost \$600 million in grants to expand access to behavioral health services in schools; the Health Resources and Services Administration (HRSA) awarding \$55 million since 2021 to support delivery of school-based services through school-based grants and requirements for health centers to deliver behavioral health services; and the Centers for Disease Control (CDC) issuing *Promoting Mental Health and Well-being in Schools*,⁵ among other actions.

The Biden-Harris Administration will continue to ensure we are doing all that we can to support students' well-being, mental health, and safety. We are eager to lead this unprecedented ongoing collaboration between HHS and ED to expand more health care services to children and youth across the country. We look forward to working with you to advance all of these aims on behalf of our students and families. If you would like to request a follow-up meeting to learn more about this opportunity and additional ways to support education and Medicaid agencies in expanding access to school-based health care services, please reach out to Zach Kahan at zach.kahan@hhs.gov and Lauren Mendoza at lauren.mendoza@ed.gov.

Sincerely,

Xavier Becerra
U.S. Secretary of Health and Human Services



Miguel A. Cardona, Ed.D.
U.S. Secretary of Education

² <https://www.medicaid.gov/sites/default/files/2023-07/sbs-guide-medicaid-services-administrative-claiming-ud.pdf>

³ <https://www.medicaid.gov/resources-for-states/medicaid-state-technical-assistance/medicaid-and-school-based-services/technical-assistance-center-tac/index.html>

⁴ States that have adopted the “free care” policy that extends coverage of school-based health services to all children with Medicaid coverage, not only those children with an IEP: Arizona, California, Colorado, Connecticut, Georgia, Illinois, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Nevada, New Mexico, North Carolina, Oregon, Virginia. More on the “free care” policy can be found in <https://www.medicaid.gov/sites/default/files/2023-07/sbs-guide-medicaid-services-administrative-claiming-ud.pdf>

⁵ <https://www.cdc.gov/healthyyouth/mental-health-action-guide/index.html>