

SB 111 A STAFF MEASURE SUMMARY

Senate Committee On Education

Action Date: 04/11/17

Action: Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).

Vote: 5-0-0-0

Yeas: 5 - Gelser, Hass, Kruse, Linthicum, Roblan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Lisa Gezelter, LPRO Analyst

WHAT THE MEASURE DOES:

Requires the Oregon Department of Education (ODE) to develop and administer a pilot program to assist school districts and education service districts increasing the use of Medicaid billing. Establishes program requirements. Requires ODE to provide technical assistance to participants in the pilot program and develop a statewide system to support school Medicaid billing. Requires ODE to submit a report on the pilot program to the interim education committees of the Legislative Assembly by October 1, 2020. Sunsets the pilot program December 31, 2020.

Requires ODE to provide technical assistance to school districts and education service districts. Requires ODE to create and implement a plan to maximize Medicaid billing for school nursing services, provide training, and assist school nurses in improving nursing services, including Medicaid billing. Allows ODE to enter into contracts with public or private entities to provide technical assistance to school districts and education service districts. Requires ODE to collaborate with other state agencies, including seeking rule or statutory changes necessary to secure federal funding for school nursing services. Requires ODE to prioritize assistance to school districts and education service districts participating in the pilot program until the program sunsets.

Appropriates an unspecified amount of money from the General Fund for the pilot program, creation of the Medicaid billing plan, providing training, assisting school nurses, and ongoing technical assistance.

Declares emergency, effective July 1, 2017.

ISSUES DISCUSSED:

- Benefits of Medicaid billing
- Costs to schools of nursing services
- Advantages of having school nurses available for students
- Changing medical needs of students over time

EFFECT OF AMENDMENT:

Replaces the bill's statutory provisions.

BACKGROUND:

Medicaid provides for treatment of a variety of medical conditions for qualifying individuals. Each state's Medicaid plan governs reimbursement rates. In Oregon, Medicaid billing for school health services consists of Medicaid administrative claiming (MAC) reimbursement for individuals with services covered by the Individuals with Disabilities Education Act. In 2015, 65 school districts or education service districts participated in MAC, while 63 participated in direct-care billing. According to the Task Force on School Nursing report published by the Oregon Health Authority in September, 2016, the percentage of Medicaid-eligible students in Oregon has increased from 27 percent in 2007 to 58 percent in 2015. Recent changes in federal rules provide an opportunity to expand the types of

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services school districts can bill to Medicaid for nursing services. In a year-long case study, one school district identified and billed Medicaid for nursing, delegated services, and transportation for 15 of its highest-need students. The increased Medicaid billing resulted in the district's ability to hire 2.5 additional school nurses, provide professional development, acquire health supplies for each school building and place first aid kits in every classroom.