

July 7, 2006

The Honorable Michael O. Leavitt
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Leavitt:

On behalf of the National School Boards Association (NSBA), which represents the nation's 95,000 local school board members, I would like to express our strong opposition to the proposed administrative changes to the school-based Medicaid program in the Administration's fiscal year 2007 budget and urge you not to take action that would be harmful to America's school children.

As you know, the President's budget proposes to restrict the ability of schools to claim reimbursement for administrative and transportation services for Medicaid-enrolled children with disabilities who receive early intervention, special education and related services through the Individuals with Disabilities Education Act. NSBA is very concerned that this action would reduce the availability of and access to needed health and developmental services for students with disabilities and other low-income children with special needs, for whom school is their primary site for healthcare delivery.

Federal reimbursement for administrative services is critically important for ensuring that schools are able to provide outreach activity to link children to eligible medical services, identify students who may need medical screening and evaluations, and work with the community to provide referral services for children and their families. Likewise, transportation reimbursement has helped to accommodate students with special needs such as outfitting buses with specific services and hiring bus aids for children with more severe disabilities. Without these resources, school districts might have to lay off nurses and social workers as well as scale back enhancement for school buses.

Furthermore, this administrative action would substantially increase the burden on already financially-strapped local school districts to cover these costs, despite the fact that they are entitled to this reimbursement under law. The *Medicare Catastrophic Coverage Act of 1988* (P.L. 100-360), allows school districts to receive payment from Medicaid for health services delivered to Medicaid-eligible children with disabilities who may need transportation for diagnostic, preventive, and rehabilitative services and therapies, as well as for the administrative costs of providing school-based services, such as outreach for enrollment purposes, and coordination and/or monitoring of medical care. As a result, a rule to prohibit schools from claiming these expenses would not only contradict existing law but also circumvent Congressional intent.



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- *Anne L. Bryant
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- *Michael A. Resnick
Associate
Executive Director*

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Therefore, NSBA strongly urges you to reconsider implementing this proposed administrative change and to work with school districts to ensure that children receive the health services that they deserve.

Thank you for your attention to this important matter.

Sincerely,



Anne L. Bryant
Executive Director



Michael A. Resnick
Associate Executive Director

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