

**U.S. Department of Education Written Testimony of
Katy Neas
Deputy Assistant Secretary
Office of Special and Rehabilitative Education Services
Before the U.S. Senate Committee on
Health Education Labor and Pensions
June 8, 2023**

Chairman Sanders, Ranking Member Cassidy, and distinguished Members of the Committee, thank you for the opportunity to share the Department of Education’s (Department’s) work to meet the needs of the 49.5 million students enrolled in public schools across the country and the 25.3 million students enrolled in colleges and universities.

While I serve as the Department’s Deputy Assistant Secretary for the Office of Special Education and Rehabilitative Services, mental health is a deep personal and professional area of interest to me, and a priority issue across the Department. Mental health affects the well-being of every student, educator, school, and community in America; and the Department is committed to creating the conditions for all students to thrive academically and personally.

The *National Survey on Drug Use and Health* released in January by the Substance Abuse and Mental Health Services Administration and the *Youth Risk Behavioral Survey* released this past February by the Centers for Disease Control and Prevention (CDC) conveyed alarming findings of the prevalence of mental health or substance use disorders, or co-occurrence of both among our nation’s youth.¹ The *Youth Risk Behavioral Survey* also included recommendations on how schools can be part of the solution. The report advances the critical need for schools to expand school-based services and to connect youth and families to community-based sources of care. Simply put, schools are a gateway to needed services for many young people. As trusted community partners, schools can provide critical behavioral and mental health services directly or establish referral systems to connect those in need to community sources of care that might otherwise be inaccessible. The report also emphasized the responsibility of schools to ensure that all learning occurs in a safe and supportive environment.

The Kaiser Family Foundation highlights several factors that limit schools' current ability to effectively provide mental health services to students.² These factors include insufficient mental health professional staff coverage; inadequate access to licensed mental health professionals;

¹ Centers for Disease Control and Prevention, *Youth Risk Behavior Survey: Data Summary and Trends Report 2011-2021*, https://www.cdc.gov/healthyyouth/data/yrbs/yrbs_data_summary_and_trends.htm

² Nirmita Panchal, Cynthia Cox, Robin Rudowitz, “The Landscape of School-Based Mental Health Services,” Kaiser family Foundation, September 6, 2022, <https://www.kff.org/other/issue-brief/the-landscape-of-school-based-mental-health-services/>

inadequate funding; concerns about reactions from parents; requirements that schools pay for the services, and a lack of community support for providing services.

We know the COVID-19 pandemic exacerbated certain pre-existing challenges to student wellness and academic success, and the ongoing impacts of the pandemic continue to hinder some state and local recovery efforts.³ Moreover, suicide was the second leading cause of death among people age 20-34.⁴ Additionally, college students who experience basic needs insecurity experience significantly higher rates of depression, anxiety, and suicidal ideation, planning, or attempt.⁵ The Department embraces the opportunity to reflect on what we have learned and move forward with a renewed energy to support the field in accelerating learning and supporting the mental health of preschool to postsecondary students and school personnel.

The Department is actively engaged in efforts to accelerate recovery. These efforts have been supported by historic investments that continue to raise the bar so students can recover academically and access critical supports for their mental health and well-being. Raising the bar means recognizing that our nation already has what it takes to continue leading the world—if we deliver a comprehensive, rigorous education for every student; boldly improve conditions for learning; and ensure every student has a pathway to multilingualism and to college and careers. When the bar is raised in education, all our nation's students will build the skills to succeed inside and outside of school. Our students will reach new heights in the classroom, in their careers, and in their enriched lives and communities, making a positive difference in the world, for generations to come.

While the work is far from over, I am pleased to share what is underway.

Department of Education Priorities

The Department's work aligns with the President's Unity Agenda, the CDC and the Kaiser Family Foundation findings and is focused on three top priorities: (1) increasing the skills and knowledge of existing school personnel to support the mental health needs of students; (2) increasing the supply of mental health professionals who can work with students; and (3) increasing funding through the Medicaid program to support school health services, including mental health services.

One year ago, Congress provided new funding under the Bipartisan Safer Communities Act

³ U.S. Department of Education. "Education in a Pandemic: Disparate Impacts of COVID-19 on America's Students." Retrieved from: <https://www2.ed.gov/about/offices/list/ocr/docs/20210608-impacts-of-covid19.pdf>

⁴ Centers for Disease Control and Prevention. Facts About Suicide. <https://www.cdc.gov/suicide/facts/index.html>

⁵ Katharine M. Broton, Milad Mohebbi, Mitchell D. Lingo. *Basic Needs Insecurity and Mental Health: Community College Students' Dual Challenges and Use of Social Support*. 2022. <https://journals.sagepub.com/doi/abs/10.1177/00915521221111460>

(BSCA) that significantly bolstered federal, state, and local efforts to address student mental health needs. I am pleased to provide you with an update on our work to implement this legislation.

Funding of School Based Mental Health Services

Through BSCA, the Department received four categories of funding, reflecting a comprehensive approach to supporting States, Local Educational Agencies (LEAs), and schools in creating safe and healthy learning environments.

This includes:

- \$1 billion through Title IV, Part A of the Elementary and Secondary Education Act of 1965 (ESEA) to enable State Educational Agencies (SEAs) to competitively award subgrants to high-need LEAs for activities to support safe and healthy students under ESEA section 4108. The Department has designated this component of BSCA the *Stronger Connections Grant Program*. States are in the process of running Stronger Connections grant competitions. ESEA section 4108 allows funds to be used to “develop, implement, and evaluate comprehensive programs and activities” that foster safe, healthy, supportive, and drug-free environments that support student academic achievement. Therefore, Stronger Connections funds may be used to hire professionals who are necessary to implementing such programs.
- An additional \$50 million in formula funding for the 21st Century Community Learning Centers, which provides academic enrichment opportunities to students during non-school hours.
- \$500 million for competitively awarded School-Based Mental Health (SBMH) Services Grants designed to increase the number of credentialed school-based mental health services providers delivering school-based mental health services to students.
- \$500 million for competitively awarded Mental Health Services Professionals (MHSP) Demonstration Grants to support innovative partnerships involving states, school districts, and institutions of higher education (IHEs) to train and increase the number and diversity of high-quality school-based mental health services providers available to address shortages of such providers in schools within high-need districts. Nearly half of the new MHSP awardees included a partnership with a Minority Serving Institution, Historically Black Colleges or Universities or Tribal Colleges.
- \$280 million across 264 projects projected to train approximately 14,000 school-based mental health professionals.

- \$86 million in grants to local communities awarded in December 2022. Under the Promise Neighborhood Grants, six communities received \$23 million to provide coordinated support services and programs to students from low-income backgrounds at every stage of their education from early childhood through their careers. These grants will also focus on preventing and reducing community violence that too often impacts low-income communities. Under the Full-Service Community Schools program, \$63 million in new awards went to 42 LEAs, non-profits, and IHEs across 18 states, the District of Columbia, and Puerto Rico.

To support grantees funded under the SBMH and MHSP grant programs, later this year, the Department will fund a first of its kind school-based mental health professional development technical assistance center. This center will provide support and resources to grantees, help ensure accurate data-collection and reporting to gauge progress, and disseminate best practices in credentialing, recruiting, training and developing, and retaining school-based mental health services providers. This will include best practices for establishing and sustaining partnerships with IHEs to create and provide innovative high-quality training and credentialing options and maintain a robust pipeline of school-based mental health services providers.

IHEs have also worked creatively on the ground to utilize funding from the Higher Education Emergency Relief Fund to address mental health at colleges and universities around the country.⁶ Some examples include:

- North Carolina Central University created a suicide prevention coordinating committee. The committee has worked to develop on-campus resources and a suicide response plan.
- The University System of Georgia created a systemwide task force to develop a comprehensive plan for long-term solutions to address mental health challenges and provide mental health services at their institutions.
- The University of Alabama provided centers for students from underserved or marginalized groups and communities, open for all students, including a Safe Zone for LGBTQ+ students, a Collegiate Recovery and Intervention Services Center for students with substance use disorders, and a Women and Gender Resource Center for students who are survivors of violence.
- Lac Courte Oreilles Ojibwe College in Wisconsin partnered with a mental health platform to allow all students and faculty on-demand, 24/7 access to counselors.

⁶ U.S. Department of Education. *Using Higher Education Emergency Relief Fund (HEERF) Institutional Portion Grant Funds to Meet the Mental Health and Substance Use Disorder Needs of Students*. May 19, 2022. <https://www2.ed.gov/about/offices/list/ope/heerfmentalhealthfaqs.pdf>

Interagency Collaboration and Capacity Expansion Through Medicaid

BSCA also directed the Department of Health and Human Services, in collaboration with the Department of Education to issue guidance to State Medicaid agencies, LEAs, and school-based entities to support the delivery of medical assistance to Medicaid and the Children's Health Insurance Program (CHIP) beneficiaries in school-based settings. This guidance, *Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming* was released on May 18, 2023.⁷

Medicaid and CHIP provide health coverage to millions of people living with disabilities and low-income families, children, pregnant individuals, adults, and seniors, including over half of American children (57% = 41.9 million children enrolled in Medicaid and CHIP / 73.1 million children in the U.S.).⁸ These programs are administered by states, according to federal requirements. Children are eligible based on their family income or unique health care needs (such as a disability or serious mental illness), or if they are in foster care. Under Medicaid's Early Periodic Screening, Diagnostic and Treatment (EPSDT) benefit, eligible children under age 21 should receive comprehensive physical health, mental health and behavioral health services.⁹

Medicaid-enrolled children who need services in school can fall into two categories: eligible students who need general health care services and students with disabilities who receive special education services under the Individuals with Disabilities Education Act (IDEA). School-based services delivered to children with disabilities are at no cost to their families. The Medicaid Budget and Expenditure System (MBES) expenditures reports for 2021 show more than \$5.98 billion in total computable payments for school-based health care services to Medicaid students. Schools also received \$14.1 billion in federal IDEA funding in 2023.¹⁰

Medicaid can support schools to sustain essential services for eligible students.¹¹ In 2014, the Centers for Medicare & Medicaid Services (CMS) issued a letter to State Medicaid Directors clarifying reimbursable services in a school-based setting. The CMS letter explained that schools

⁷ The Centers for Medicare and Medicaid Services, *Delivering Services in School-Based Settings*, 2023, <https://www.medicaid.gov/medicaid/financial-management/downloads/sbs-guide-medicaid-services-administrative-claiming.pdf>

⁸ The Centers for Medicare and Medicaid Services, *Delivering Services in School-Based Settings*, 2023, <https://www.medicaid.gov/medicaid/financial-management/downloads/sbs-guide-medicaid-services-administrative-claiming.pdf>

⁹ The Centers for Medicare & Medicaid Services, *CMCS Informational Bulletin: Information on School-Based Services in Medicaid: Funding, Documentation and Expanding Services*, August 18, 2022, <https://www.medicaid.gov/federal-policy-guidance/downloads/sbscib081820222.pdf>

¹⁰ The Centers for Medicare and Medicaid Services, *Delivering Services in School-Based Settings*, 2023, <https://www.medicaid.gov/medicaid/financial-management/downloads/sbs-guide-medicaid-services-administrative-claiming.pdf>

¹¹ Healthy Schools Campaign, "State Data on Medicaid-Eligible School Health Services and Providers," <https://healthystudentspromisingfutures.org/map-school-medicaid-programs/>

can seek payment for all Medicaid-covered services provided to all students enrolled in Medicaid.¹² As of May 2023, 214 states have used this policy to expand their school-based Medicaid programs. Most states use these funds to hire and sustain essential personnel who can deliver or facilitate the delivery of health and mental health services. The actual amount of additional Medicaid funding varies across school districts based on a wide variety of factors, including: (1) the number of students who are eligible for Medicaid in a district; (2) the unique needs of each child with a disability; and (3) State Medicaid payment rates;

Here are a few examples of how states have leveraged this opportunity to date to leverage Medicaid payments to hire key staff to provide essential health and mental health services to youth:

- Louisiana was the first state to expand its program, focusing solely on school nursing services. The State’s financial analysis showed a 35 percent increase in federal revenue. The program was such a success that the State did a second school Medicaid expansion to include all eligible providers and services.¹³
- Colorado ran a pilot project to better understand the financial impact of expanding its program. The State began by examining the impact of adding additional Medicaid eligible providers and, with the inclusion of additional school behavioral providers, estimated an increase of around \$8 million, Michigan expanded its program to allow claiming for all Medicaid-enrolled students and added a number of additional providers, including masters-level school psychologists and behavioral health analysts. Billing for masters-level school psychologists alone is projected to lead to an increase of \$14 million to the school system.
- Voices for Georgia’s Children estimates that Georgia’s pending expansion to allow claiming and payment for school nurses would bring in an additional \$48.6 million in federal revenue to the school-based Medicaid program.

Conclusion

The Department’s mission is “to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.” This mission is urgent now more than ever as members of the educational community work together to address the learning gaps and increased mental health needs, fueled by the pandemic, that affected all students, particularly students from historically underserved groups.

¹² Centers for Medicare & Medicaid Services, *SMD# 14-006 Medicaid Payment for Services Provided without Charge (Free Care)* <https://www.medicaid.gov/federal-policy-guidance/downloads/smd-medicaid-payment-for-services-provided-without-charge-free-care.pdf>

¹³ <https://healthystudentspromisingfutures.org/state-successes/examples/>

As described above, we are actively engaging in efforts to accelerate recovery. We note throughout this testimony how the Department prioritizes work to address the mental health crisis facing our nation's youth. We are committed to ensuring that students' needs are met, that they are ready to learn, and that they have full access to learning opportunities.

Thank you, I look forward to answering your questions.