

## Meadows Mental Health Policy Institute

Hani Talebi, PhD —Testimony on House Bill 1571, March 28, 2023

The **School Health and Related Services (SHARS) program** allows school districts to obtain *federal reimbursement* for certain health-related services provided to Medicaid-enrolled students. Texas policy currently limits reimbursement to students with disabilities on individualized education plans (IEPs). Services covered by SHARS, which must be medically necessary and provided with parental consent, include both physical and mental health services as well as audiology, speech therapy, and occupational therapy. Parents and educators alike understand that our students cannot learn when they are not well.

### The Youth Mental Health Crisis

Surgeon General Dr. Vivek Murthy warned in late 2021, in America's first ever public health advisory focused on mental health,<sup>i</sup> that **even before COVID-19, mental illness among America's youth was already at a crisis point; the pandemic has made it much worse.**

According to a Centers for Disease Control and Prevention survey on youth mental health, 37% of high school students reported poor mental health during the COVID-19 pandemic, and 44% reported they persistently felt sad or hopeless during the past year.<sup>ii</sup> Schools are encountering the growing numbers of children and youth experiencing mental illness every day, which has a significant and negative impact on their ability to learn and achieve in the classroom.

**HALF**  
OF ALL  
**MENTAL**  
**HEALTH**  
**CONDITIONS**  
MANIFEST BY  
**AGE 14**

BY YOUNG  
ADULthood  
**75%** OF  
**LIFETIME**  
**CASES**  
HAVE PRESENTED

### The “ESSER cliff”

Recognizing the learning loss and mental health impacts resulting from the pandemic, Congress established the Elementary and Secondary School Emergency Relief (ESSER) fund and provided states and school districts with an infusion of federal dollars. Many districts chose to use ESSER funds to provide access to critical mental health services to address increased need. ESSER

funding will expire in September 2024, yet the the mental health impacts from COVID-19 will last years beyond the pandemic. School districts, particularly in rural areas, are now grappling with how they will continue to provide access to these critical services for their students and families.

### Federal Policy Provides an Option

Since 2014, the Centers for Medicare and Medicaid Services (CMS) has allowed school districts to obtain reimbursement through the **SHARS program** for covered services provided to *all Medicaid-enrolled students*, not just those with IEPs. Allowing districts to seek federal reimbursement for covered services provided to all Medicaid-enrolled students would ***allow our schools to continue offering these services to students, using local funds as the non-federal match.***

States across the nation—including **neighboring states and states with robust Medicaid managed care programs such as Florida, Louisiana, and Arizona**—have updated state policy to **align with CMS guidance**. Texas has an opportunity to do the same, while helping to **alleviate the end of ESSER funding**.

### Implement the Texas Way

As envisioned by HB 1571, several key features of the Texas SHARS program would remain in place:

- **Parental consent would still be required** before any services are provided and **can be revoked at any time**.
- Participation in the SHARS program remains **optional for school districts**.
- Adopting this policy **does not expand eligibility or add new benefits to Medicaid**.
- Notification would be sent to the primary care physician and health plan, ***strengthening the coordination between schools and students' medical home.***
- The state is **not required to provide any match** to obtain federal reimbursement.

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<sup>i</sup> The U.S. Surgeon General's Advisory (2021). *Protecting youth mental health*.

<https://www.hhs.gov/sites/default/files/surgeon-general-youth-mental-health-advisory.pdf>

<sup>ii</sup> <https://www.cdc.gov/media/releases/2022/p0331-youth-mental-health-covid-19.html>