



December 6, 2022

TO: Members, Human Services Committee
FROM: Lauren Finke, Policy Director, The Kennedy Forum

RE: SUPPORT A-3334 (Greenwald / Jimenez) - Requires Medicaid reimbursement for covered behavioral health services provided by local education agency to student who is eligible Medicaid beneficiary.

On behalf of The Kennedy Forum, an organization founded by former Congressman Patrick J. Kennedy in 2014, focused on improving the lives of individuals living with mental health and substance use disorders and promoting health equity for all, we respectfully request your support for A-3334 when it is heard in the Assembly Human Services Committee on Thursday, December 8, 2022.

A-3334, sponsored by Assemblymembers Louis Greenwald (D-6) and Angelica Jimenez (D-32), would allow for Medicaid reimbursement for covered behavioral health services provided by local education agency to student who is eligible Medicaid beneficiary. A-3334 requires the state Medicaid plan to cover school-based mental health services, including services via telehealth, for all Medicaid enrolled students and not just students with an IEP.

Currently, Medicaid reimbursement is only available in New Jersey for those services provided to students who qualify under the rule exception through the Special Education Medicaid Initiative (SEMI) program. However, in 2014, the Centers for Medicare and Medicaid Services (CMS) reversed a policy that prohibited Medicaid reimbursement for school health services if the same services were provided free of charge to the general student population and unless the services were specifically included in a student's IEP.

Additionally, CMS very recently issued new guidance on Medicaid and school-based services and youth behavioral health clearly stating that states should be using [Medicaid](#) to provide [school-based](#) and linked services for all Medicaid-enrolled students.

A-3334 will allow New Jersey to align with this federal policy shift and expand its school-based Medicaid program. Medicaid can play an important role in helping fund school mental health services by bringing federal matching funds that help state dollars go further. This bill will allow New Jersey to take full advantage of Medicaid's ability to cover school mental health services and ensure that state resources are being used efficiently to promote student wellness.

Eighteen states have taken advantage of the change in federal law and several states are in the process of expanding school Medicaid coverage. We hope you move New Jersey one step closer towards becoming the nineteenth.

It is for these reasons we urge your support for A-3334.

Thank you.

**C: Victoria Cook, Assembly Democratic Office
Thea Sheridan, Assembly Republican Office**