

**Introduced by Senator Ortiz**

(Principal coauthor: Assembly Member Chan)

**(Coauthors: Senators Cedillo, Chesbro, Escutia, Kuehl, Migden, Romero, and Soto)**

(Coauthors: Assembly Members Dymally, Hancock, Jones, Laird, Leno, Mullin, Pavley, Ridley-Thomas, and Wolk)

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Senate Joint Resolution No. 34—Relative to school Medicaid services.

LEGISLATIVE COUNSEL'S DIGEST

SJR 34, as introduced, Ortiz. School Medicaid services.

This measure would express the Legislature's opposition to proposed reductions of federal Medicaid reimbursements to states for school health-related services, direct the President pro Tempore of the Senate and the Speaker of the Assembly to inform certain congressional committees of the importance of these federal Medicaid reimbursements, and would request the Governor and Legislature to encourage various organizations to advocate for the protection of these health program funds.

Fiscal committee: no.

- 1 WHEREAS, California's school districts are committed to
- 2 teaching our children and ensuring that our students are healthy
- 3 and ready to learn; and
- 4 WHEREAS, The President's proposed 2007 budget would
- 5 eliminate the Title XIX reimbursement for the Medicaid
- 6 (Medi-Cal) Administrative Activities (MAA) program and for
- 7 transportation services in the Local Educational Agency (LEA)

1 Medi-Cal Billing Option of California, resulting in the loss of  
2 millions of dollars to local educational agencies; and

3 WHEREAS, The elimination of reimbursement funding for the  
4 MAA program and transportation services is being implemented  
5 through an Interim Formal Rulemaking promulgated by the  
6 Centers for Medicare and Medicaid Services (CMS), rather than  
7 by congressional action, as required by the federal budget  
8 process; and

9 WHEREAS, In 1988, Congress amended the Social Security  
10 Act to ensure that states could obtain federal Medicaid  
11 reimbursement for school health-related services delivered to  
12 students in the school setting by local educational agencies; and

13 WHEREAS, Congress, in passing the Omnibus Budget  
14 Reconciliation Act of 1989 (OBRA 89), established the Early  
15 Periodic Screening, Diagnosis, and Treatment program as a  
16 comprehensive child health program within Medicaid; and

17 WHEREAS, The federal government, in implementing OBRA  
18 89, directed states to develop linkages with other agencies, and  
19 specifically cited schools as a focal point for (1) identifying  
20 children with problems, (2) increasing student access to both  
21 preventive and curative health services, (3) assuring appropriate  
22 use of health care resources, and (4) for coordinating services to  
23 avoid duplicating efforts that increase service costs and stress to  
24 the child and family; and

25 WHEREAS, In the last completed billing cycle (2003–04),  
26 California received \$75.6 million in reimbursements for MAA  
27 activities performed by local educational agencies; and

28 WHEREAS, The federal government mandates that school  
29 districts provide medical services pursuant to the Americans with  
30 Disabilities Act and the Individuals with Disabilities Act without  
31 full funding; and

32 WHEREAS, 1.4 million children, or 14.8 percent of California  
33 students, suffer from asthma or asthma-like symptoms resulting  
34 in, according to the California Department of Health Services,  
35 the loss of \$40.8 million annually to schools from preventable  
36 absences of children between the ages of 12 and 17; and

37 WHEREAS, The California Physical Fitness testing conducted  
38 in grades 5, 7, and 9 indicates that over 33 percent of California  
39 students fall outside the Healthy Fit Zone, which means they are  
40 overweight or at risk of becoming overweight, as indicated by

1 body mass index and skinfold measurements, putting these  
2 students at risk for diabetes, heart disease, and other  
3 obesity-related diseases in childhood and adulthood; and

4 WHEREAS, Seventy-two percent of Latino children in  
5 California have experienced tooth decay, 26 percent of whom  
6 have experienced rampant decay; and

7 WHEREAS, California school districts receive reimbursement  
8 for services delivered to over 383,491 special education students  
9 in the 2004–05 fiscal year, and these revenues are distributed to  
10 supplement services provided to students; and

11 WHEREAS, School districts must address health barriers to  
12 learning to ensure a student’s full participation in the  
13 instructional process, and ensure that these services conform to  
14 the federal government’s Early Periodic Screening, Diagnosis  
15 and Treatment program to increase health access for  
16 disadvantaged children; and

17 WHEREAS, Many California school districts choose to  
18 reinvest reimbursements from school Medi-Cal services (the  
19 LEA billing option) and MAA in Healthy Start programs, the  
20 services of school nurses and health assistants, and for health  
21 care items, such as glasses, that children would not otherwise be  
22 able to obtain; and

23 WHEREAS, California school districts provide critical  
24 services to students, including referral to, coordination of, and  
25 sometimes provision of vision care, dental care, school entry  
26 physicals, school immunization clinics, and assistance for  
27 students with chronic diseases such as asthma, diabetes, and  
28 life-threatening allergies; and

29 WHEREAS, California school districts opt to invest MAA  
30 reimbursements into school outreach and enrollment activities  
31 that result in the enrollment of uninsured students in health  
32 coverage. Over 100 school districts serving 47 percent of  
33 California’s most underserved children have agreements with  
34 managed care health plans, teacher organizations, and  
35 community-based organizations to assist with students’ benefits  
36 establishment and maintenance efforts; and

37 WHEREAS, All these programs have provided incentives for  
38 school district and community health care providers to better  
39 coordinate care necessary to improve student health outcomes;  
40 and

1 WHEREAS, A substantial reduction in Medi-Cal  
2 reimbursements would erode California school districts' efforts  
3 to close the achievement gap between healthy and unhealthy  
4 students; now, therefore, be it

5 *Resolved by the Senate and the Assembly of the State of*  
6 *California, jointly,* That the Legislature expresses its opposition  
7 to any cutbacks in the Medicaid School-Based Services programs  
8 that reduce reimbursements to local educational agencies; and be  
9 it further

10 *Resolved,* That the President pro Tempore of the Senate and  
11 the Speaker of the Assembly be directed to send a letter to the  
12 United States Secretary of Health and Human Services, the  
13 House Committee on Education and the Workforce, the House  
14 Committee on Energy and Commerce, and the Senate Committee  
15 on Finance stressing the importance of these federal Medicaid  
16 reimbursements in the delivery of health services to our most  
17 vulnerable students; and be it further

18 *Resolved,* That the Legislature requests the Governor to work  
19 with his Washington, D.C., staff to ensure that the congressional  
20 delegation is fully informed as to the threat created by these  
21 proposed regulatory actions; and be it further

22 *Resolved,* That the Legislature and the Governor direct staff to  
23 work with other local educational agencies, and other local, state,  
24 and national organizations to advocate for the protection of these  
25 critical health service program funds; and be it further

26 *Resolved,* That California school districts continue to take full  
27 advantage of the Medicaid School-Based Services programs (the  
28 LEA billing option and the MAA program) to improve health  
29 access and health outcomes, and to decrease the health disparities  
30 between the students of California; and be it further

31 *Resolved,* That the Secretary of the Senate transmit copies of  
32 this resolution to the President and Vice President of the United  
33 States, to the Speaker of the House of Representatives, to the  
34 Majority Leader of the Senate, and to each Senator and  
35 Representative from California in the Congress of the United  
36 States.

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