

AMENDED IN ASSEMBLY JUNE 5, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

**Assembly Joint Resolution**

**No. 58**

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**Introduced by Assembly Member Horton**

**(Coauthors: Assembly Members Anderson, Beall, DeVore, Fuller, Garrick, Houston, Huff, Keene, Niello, Portantino, Sharon Runner, Silva, Smyth, Tran, and Villines)**

(Coauthors: Senators Cedillo, Denham, Maldonado, and Margett)

April 17, 2008

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Assembly Joint Resolution No. 58—Relative to school Medicaid services.

LEGISLATIVE COUNSEL'S DIGEST

AJR 58, as amended, Horton. School Medicaid services.

This measure would express the Legislature's opposition to one of the newly enacted *federal* Centers for Medicare and Medicaid Services (CMS) regulations that would eliminate federal Medicaid reimbursements 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, direct the Legislature to request the Governor to work with his Washington, D.C., staff to ensure that the congressional delegation enacts legislation to repeal or to extend the moratorium on the implementation of these newly enacted regulations, 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, One of the newly enacted federal Centers for  
5 Medicare and Medicaid Services (CMS) regulations, set to take  
6 effect in the 2008–09 school year, would eliminate the Title XIX  
7 reimbursement for the Medicaid (Medi-Cal) Administrative  
8 Activities (MAA) program and for transportation services rendered  
9 in connection with the Local Educational Agency (LEA) Medi-Cal  
10 Billing Option Program, resulting in the loss of millions of dollars  
11 to local educational agencies; and

12 WHEREAS, The elimination of reimbursement funding for the  
13 MAA program and transportation services is being implemented  
14 by the CMS through the regulatory rulemaking process, rather  
15 than by congressional action, as required by the federal budget  
16 process; and

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

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

25 WHEREAS, The federal government, in implementing OBRA  
26 89, directed states to develop linkages with other agencies, and  
27 specifically cited schools as a focal point for (1) identifying  
28 children with problems, (2) increasing student access to both  
29 preventive and curative health services, (3) assuring appropriate  
30 use of health care resources, and (4) for coordinating services to  
31 avoid duplicating efforts that increase service costs and stress to  
32 the child and family; and

33 WHEREAS, In the last completed billing cycle (2005–06),  
34 California received \$145 million in reimbursements for MAA  
35 activities performed by local educational agencies; and

36 WHEREAS, The federal government mandates that school  
37 districts provide medical services pursuant to the Americans with  
38 Disabilities Act and the Individuals with Disabilities Education  
39 Act (IDEA) without full funding; and

1 WHEREAS, 1.4 million children, or 14.8 percent of California  
2 students, suffer from asthma or asthma-like symptoms resulting  
3 in, according to the State Department of Public Health, the loss of  
4 \$40.8 million annually to schools from preventable absences of  
5 children between the ages of 12 and 17; and

6 WHEREAS, The 2006–07 California Physical Fitness Test  
7 conducted in grades 5, 7, and 9 indicates that in many of the six  
8 physical fitness areas tested, over 30 percent of California students  
9 fall outside the Healthy Fitness Zone, which means they are  
10 overweight or at risk of becoming overweight, as indicated by  
11 body mass index and skinfold measurements, putting these students  
12 at risk for diabetes, heart disease, and other obesity-related diseases  
13 in childhood and adulthood; and

14 WHEREAS, Seventy-two percent of Latino children in  
15 California have experienced tooth decay, 26 percent of whom have  
16 experienced rampant decay; and

17 WHEREAS, California school districts received reimbursement  
18 for services delivered to over 383,491 special education students  
19 in the 2004–05 fiscal year, and these revenues were distributed to  
20 supplement services provided to students; and

21 WHEREAS, School districts must address health barriers to  
22 learning to ensure a student’s full participation in the instructional  
23 process, and ensure that these services conform to the federal  
24 government’s Early Periodic Screening, Diagnosis, and Treatment  
25 program to increase health access for disadvantaged children; and

26 WHEREAS, Many California school districts choose to reinvest  
27 reimbursements from school Medi-Cal services (the LEA billing  
28 option) and MAA in Healthy Start programs into the services of  
29 school nurses and health assistants and into health care items, such  
30 as glasses, that children would not otherwise be able to obtain; and

31 WHEREAS, California school districts provide critical services  
32 to students, including referral to, coordination of, and sometimes  
33 provision of vision care, dental care, school entry physicals, school  
34 immunization clinics, and assistance for students with chronic  
35 diseases such as asthma, diabetes, and life-threatening allergies;  
36 and

37 WHEREAS, California school districts opt to invest MAA  
38 reimbursements into school outreach and enrollment activities that  
39 result in the enrollment of uninsured students in health coverage;  
40 and

1 WHEREAS, California schools demonstrate that they are  
2 successful in reaching uninsured families by being second only to  
3 Medi-Cal as the place where parents report learning about low- or  
4 no-cost health care; and

5 WHEREAS, Sixty-three percent of school districts serving  
6 California's most underserved children participate in the MAA  
7 program, and many of these districts partner with managed care  
8 health plans, teacher organizations, and community-based  
9 organizations to assist with students' health insurance enrollment  
10 and maintenance efforts; and

11 WHEREAS, All of these programs have provided incentives  
12 for school districts and community health care providers to better  
13 coordinate care necessary to improve student health outcomes;  
14 and

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

19 *Resolved by the Assembly and the Senate of the State of*  
20 *California, jointly,* That the Legislature expresses its opposition  
21 to newly enacted CMS regulations that would eliminate  
22 reimbursement for Medicaid School-Based Services programs (the  
23 LEA billing option and the MAA program); and be it further

24 ~~*Resolved, That the President pro Tempore of the Senate and the*~~  
25 ~~*Speaker of the Assembly be directed to send a letter to the United*~~  
26 ~~*States Secretary of Health and Human Services, the United States*~~  
27 ~~*House Committee on Education and the Workforce, the United*~~  
28 ~~*States House Committee on Energy and Commerce, and the United*~~  
29 ~~*States Senate Committee on Finance stressing the importance of*~~  
30 ~~*these federal Medicaid reimbursements in the delivery of health*~~  
31 ~~*services to our most vulnerable students; and be it further*~~

32 ~~*Resolved, That the Legislature requests the Governor to work*~~  
33 ~~*with his Washington, D.C., staff to ensure that the congressional*~~  
34 ~~*delegation enacts legislation to repeal or to extend the moratorium*~~  
35 ~~*on the implementation of these newly enacted regulations so as to*~~  
36 ~~*avert the threat created by these regulatory actions; and be it further*~~

37 ~~*Resolved, That the Legislature and the Governor direct staff to*~~  
38 ~~*work with other local educational agencies, and other local, state,*~~  
39 ~~*and national organizations to advocate for the protection of these*~~  
40 ~~*critical health service program funds; and be it further*~~

1     *Resolved*, That California school districts continue to take full  
2 advantage of the Medicaid School-Based Services programs to  
3 improve health access and health outcomes, and to decrease the  
4 health disparities between the students of California; and be it  
5 further

6     *Resolved*, That the Chief Clerk of the Assembly transmit copies  
7 of this resolution to the President and Vice President of the United  
8 States, to the Speaker of the House of Representatives, to the  
9 Majority Leader of the Senate, and to each Senator and  
10 Representative from California in the Congress of the United  
11 States.

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