**Talking Points to Key Legislators**

**Limited Session of the State Legislature. July 20, 2020**

**Urge Passage of the Medicaid Managed Care Carve-Out for School-Based Health Centers**

**S7812 (Rivera)/A9894 (Gottfried)**

**In Senate Finance and Assembly Ways and Means Committees**

I understand that discussions are underway in the Senate and Assembly to hold a Legislative Session with a limited agenda on the week of July 20, 2020.

I am calling to ask you to make a request to Assembly Speaker Carl Heastie/Senate Majority Leader Andrea Stewart Cousins **in support of adding S7812 (Rivera)/A9894 (Gottfried) to the agenda for the week of July 20, 2020 and passing this bill. This legislation will provide the State’s 262 School-Based Health Centers (SBHCs) with the option to remain carved-out of Medicaid Managed Care.**

Since 1995, SBHCs have been carved-out of the Medicaid Managed Care program, enabling them to receive reimbursement directly from the State for the Medicaid services that they provide to children. SBHCs are scheduled to be carved-in to the Medicaid Managed Care Program on January 1, 2021. Once the carve-in is implemented, there is no guarantee that health care plan premiums will cover the cost of primary, preventive, mental and dental health care services for underserved children and adolescents living in rural, urban, and suburban areas of the State**. If this legislation does not pass this year, many SBHCs in the State will have to close.**

Unlike other Medicaid Managed Care-Carve-ins, this one has no fiscal implications to the State. The Department of Health has not scored any savings for the implementation of the SBHC carve-in. However, it will cost centers and their hospital and clinic sponsors a significant amount of money to implement due to the need to change IT systems for billing and claims and the implementation of new systems for contract and credentialing.

Now is not the time to change the reimbursement system for School-Based Health Centers. We are in the midst of a worldwide pandemic and on the heels of devastating reductions in revenue for direct services to underserved children**. Please describe any financial impact of COVID-19 on your center(s).**

In addition, over the last several years, SBHCs have received deep cuts in State grant funding and Medicaid reimbursement. State grant funding for SBHCs for core primary, preventive, mental and dental health care services has been reduced by over 25%, ($5 million), since 2013. These cuts represent the largest reductions in the 44-year history of the program.

Effective, January 1, 2020, most Medicaid providers, including SBHCs, were hit with a permanent 1% decrease in their Medicaid rates. An additional reduction of 0.5% was enacted in the 2020-21 State Budget, bringing the **total permanent cut to 1.5% for State Fiscal Year (SFY) 2020-21 and each SFY thereafter.** And there is the threat of more cuts-20% across the board-due to the COVID-19 pandemic.

Thank you for all of your past support of SBHCs. Please urge your legislative leader to support adding **S7812 (Rivera)/A9894 (Gottfried) to the agenda for the week of June 20, 2020 and passage of this legislation by the full house.**