




Supporting the Needs of Every Student

Funding Sustainable School-Based Mental Health Services

 Effective School Solutions



Sustainable Funding Sources for School-Based Mental Health Services

Achieving Long Term Mental Health Funding for Schools:

It Can Be Done.

It has never been more important for school districts to have a financial sustainability plan to ensure that they can continue the expansion of the mental health safety net many of them have recently implemented.

At Effective School Solutions, we have partnered with school districts for almost 15 years to implement state of the art, in-school mental health care services that are financially sustainable over the long-term.

We have also heard from our district partners about how they have been able to fund their mental health programming over the long term and are pleased to share these insights.

We have encapsulated these tactics in a simple framework.

S.U.S.T.A.I.N. the mental health of our young people.

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Seize the Opportunity to Prioritize School-Based Mental Health

The first key to making sure your district has a sustainable plan for funding mental health initiatives is simple: make mental health a priority.

A school district's budget is a reflection of the priorities it establishes and the choices it makes, and there is no greater priority than the mental health of our young people.

Youth mental health is the defining public health issue and education issue of our time. Consider the following statistics:

- 31% increase in ER visits for mental health issues among 12 to 17-years old between March and October 2020
- 20% of youth ages 13 to 18-years had a mental health disorder
- 16% of 12 to 17-years-old experienced a major depressive episode in 2019, compared to 8% in 2009

Youth mental health is a critical issue, and districts can take a significant step towards sustainability by recognizing the vital role that they can play in helping to create a mental health safety net for students.

Sources:
National Alliance on Mental Illness: Mental Health By the Numbers
Mental Health America: Addressing the Youth Mental Health Crisis: The Urgent Need for More Education, Services, and Supports



Seize the Opportunity to Prioritize School-Based Mental Health

“Imagine a high school with 1,000 students. Now imagine about 450 of them saying they are persistently sad or hopeless, 200 saying they’ve seriously considered suicide, and nearly 100 saying they’ve tried to end their own life over the past year. That is the state of youth mental health in America.”

– U.S. Surgeon General Vivek Murthy

The Mental Health Crisis Facing Our Young People

Mental Health outcomes have been degrading for students for over a decade



U.S. High School Student Data 2009-2019:

- 40.6% increase in the number of high school students experiencing persistent feelings of sadness or hopelessness, equating to 1 in 3 students
- 36.2% increase in the number of high school students seriously considered attempting suicide, equating to 1 in 5 students
- 44% increase in the number of high school students who made a suicide plan
- 41% increase in the number of high school students who attempted suicide

The COVID-19 pandemic has increased sources of trauma



U.S. Adolescent Behaviors and Experiences Survey:

- 55% experienced some sort of emotional abuse at home
- 11% experienced physical abuse
- 24% stated they did not have enough to eat during the COVID-19 pandemic

The latest research indicates that students are continuing to experience significant social-emotional challenges



2023 The State of Mental Health in America Report:

- 16.39% of youth (age 12-17) reported suffering from at least one major depressive episode in the past year
- More than 2.7 million youth are experiencing severe major depression
- 60% of youth with major depression do not receive mental health treatment
- 1 in 10 youth with private insurance do not have coverage for mental or emotional difficulties – over 1.2 million youth

Sources:
CDC Adolescent Behaviors and Experiences Survey <https://www.cdc.gov/healthyyouth/data/abes.htm>
CDC Youth Risk Behavior Survey: <https://www.cdc.gov/healthyyouth/data/yrbs/pdf/YRBSDataSummaryTrendsReport2019-508.pdf>
Mental Health America 2023 State of Mental Health in America



Utilize Traditional Federal Funding Sources

Title IA, Improving Basic Programs Operated by Local Educational Agencies

Title IA funds can be used to support a wide range of mental health related non-instructional supports such as school counselors, positive behavioral supports and social-emotional learning methods that improve school climate, increase attendance, and improve physical and mental health.

Title IA can be used as a key funding source for all services ESS offers.

Title II-A, Growing Teacher Development and Professional Learning

Title II-A funds can be used for teacher development and professional learning, including in-service training and coaching on identifying and supporting students affected by trauma and mental illness.

Other professional development areas covered in Title II-A include employing effective methods to improve student behavior, identifying early interventions, and engaging parents, families, and communities.

For ESS offerings, all clinical programming includes intensive professional learning and an allocation of clinician time to coaching and supporting teachers (we generally estimate 20%). This should enable districts to explore the use of Title II-A funds to support clinical programming that also extends teachers capacity.

Title IV Part A, Improving Student Academic Achievement

Title IV Part A funds are to be used to improve student academic achievement by increasing the capacity of schools to provide all students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology.

ESS program offerings that fit within the guidelines of Title IV Part A include providing mentoring and counseling programs, establishing drop-out and re-entry programs, and integrating systems of student and family supports, all of which can be part of an initiative to improve student mental health.

AWARE, Advancing Wellness and Resilience in Education

AWARE funds can be used to develop a sustainable infrastructure for school-based mental health programs and services. Leveraging their partnerships with the State Education Agency (SEA), Local Education Agency (LEA), Tribal Education Agency (TEA), and the State Mental Health Agency (SMHA), recipients of this grant based program can implement mental health related promotion, awareness, prevention, intervention, and resilience activities. This program promotes the healthy and emotional development of school-aged youth and prevents youth violence in school settings.

Utilize Traditional Federal Funding Sources

IDEA

IDEA Part B is specialized federal funding allocated to assist states in providing a free appropriate public education in the least restrictive environment for children with disabilities, ages three through twenty-one. These funds may be used to pay the excess costs of educating students with special needs including providing students with related services, encompassing therapeutic counseling.

While ESS programs can support students who are both classified and non-classified, most ESS districts use IDEA as part of the funding equation in situations where the students being serviced have IEPs.

IDEA funds are also available to address disproportionality, e.g. the over-classification of certain student groups to special education, or the over-suspension of certain student groups.

Many ESS districts use IDEA funding to establish mental health programs that provide a therapeutic “alternative” to suspension, thereby addressing disproportionality.





S tate Specific Mental Health Funding

States appropriations fund student mental health supports and services. Recent state action has focused on awarding monies to support and develop:

- School-based mental health programs and services
- Mental health and wellness curricula
- Staff training and professional development
- Mental health screenings
- Suicide prevention programs and services
- Mental health professional staffing ratios

ESS works with state legislators on an ongoing basis to advocate for the inclusion of mental health services in state appropriations.

While these state specific funding sources are constantly changing, the following are some specific examples in select states:

In **California**, the **ear-marked tax revenue from Proposition 63 funds the Mental Health Service Act (MHSA).**

MSHA services include prevention, early intervention, and mental health outreach. Funding can be used for school-aged youth for mental health engagement strategies.

In **New Jersey**, the **2022 state budget includes \$25 million for Extraordinary Special Education Aid.** This aid helps districts fund services for students whose needs are deemed “extraordinary;” those who have high-cost programs along with complex needs or low incidence conditions.

In **Pennsylvania**, the **Office of Research, Evaluation and Strategic Policy Development of the Pennsylvania Commission on Crime and Delinquency (PCCD)** will dedicate \$95 million to mental health initiatives in schools through the School Safety and Security Program for the 2022–2023 school year.

And in **Massachusetts**, the **Safe and Supportive Schools Competitive Grant** funds school districts and their selected schools to organize, integrate, and sustain school and district-wide efforts.



Take Advantage of Medicaid

The federal government now allows for the use of Medicaid reimbursement for school-based mental health expenditures.

Medicaid

Medicaid is expected to be one of the fastest growing funding sources for school-based health expenditures, including mental health. All states offer the ability for districts to seek reimbursement for the cost of mental health services delivered to students with individualized education plans (IEPs).

Historically, states were only able to obtain federal reimbursement for services provided to Medicaid-enrolled students who had an IEP. In 2014 the federal government reversed this policy, known as the “free care rule”.

The federal government now allows school districts to bill Medicaid for health services delivered to all children enrolled in Medicaid. Some states can update this policy change administratively, while other states need to submit a state plan amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS).

Currently 20 states have expanded the use of Medicaid to help cover the cost of mental health services for general ed students in addition to special ed students.

For example, in Pennsylvania, an LEA must enroll as a provider in the Medical Assistance program in order to participate in the School-Based ACCESS program, also known as SBAP.

Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit

The EPSDT benefit ensures that children under age 21 enrolled in Medicaid receive appropriate preventive, dental, mental health, developmental, and specialty services. Based on certain federal guidelines, states are required to provide comprehensive services.

ESS partners with many districts to provide reporting on service delivery that enables this reimbursement to take place. While the level of reimbursement varies, particularly on the number of students who are Medicaid eligible in the district, many districts can defray up to 10-20% of the cost of ESS programming through Medicaid reimbursement.



Adjust ODP/NPS Spending

One of the key ways many districts fund their mental health initiatives is by evaluating the annual expenditure on tuition and transportation for students out placed to specialized therapeutic schools. These placements, called Out-of-District Placements (ODPs) or Non-Public School (NPS) placements, are necessary for some students. Other students, however, can be supported in district with an even higher level of care.

Strengthening mental health supports in district

Districts often spend millions of dollars sending students to private therapeutic day schools and other outside placements. While some students need the specific skills a specialized school offers, many students who are sent to an ODP or NPS because of behavioral or emotional challenges could be supported in the “least restrictive” environment of the public-school system if the right supports existed.

ESS offers great quality clinical support in schools at a fraction of the cost of an ODP or NPS. Strengthening mental health supports in a district can result in significant cost savings.

Compounded savings

Once a student is sent to an ODP or NPS they tend to stay out—so any savings from bringing those students back in district are compounded over multiple years. In addition, most districts use in-school clinical support not just to bring students back from out of district, but to prevent additional students from going out in the future, creating a cost avoidance impact.

The cost of an Effective School Solutions program that supports up to 20 students can often be fully funded by returning only 2-3 students from an outside therapeutic placement. This is a powerful lever that districts can use to expand the reach of their mental health safety net.

Adjust ODP/NPS Spending

The chart below is an illustrative example of the types of savings districts can experience when creating internal mental health programs. By implementing school-based mental health programs, districts can reduce the number of ODP

and NPS placements. Specific district savings will vary on a district by district basis (variable components include tuition cost, number of students, and level of clinical care/treatment).

Current Program	School year 2022-2023	School year 2023-2024	School year 2024-2025
ODP/NPS Returner Savings			
Students in program brought back from ODP/NPS	4	4	4
Annual cost savings per student	\$100,000	\$105,000	\$110,250
Total savings from ODP/NPS returners	\$400,000	\$420,000	\$441,000
Total “Hard” cost savings	\$400,000	\$420,000	\$441,000
Estimate of Cost Avoidance from Preventing Additional future ODP/NPS			
# of students at risk of future ODP/NPS	5	5	5
Annual cost savings per student	\$100,000	\$105,000	\$110,250
Total additional cost avoidance from future ODP/NPS Prevention	\$500,000	\$525,000	\$551,250



I ntegrate New Federal Funding Sources

In addition to traditional federal funding sources like Title I and IDEA, there are other emerging federal funding sources that are focused on school-based mental health. One such bill is the **Bipartisan Safer Communities Act (BSCA)** which authorizes \$1.7 billion in mental health services to schools and communities. Signed in July 2022, the legislation authorizes funding for:

Improving Conditions for Student Learning

\$1 billion in funding through Title IV-A to support a variety of activities to improve conditions for student learning through evidence-based practices to promote positive school climates.

Increasing Access to Children's Mental Health Services

\$80 million to health and human services to award grants to support pediatric primary care providers, emergency departments, and schools to rapidly access mental health specialists' expertise and better connect children to care.

Building Awareness of and Access to Mental Health Services

\$240 million for programs that increase awareness and access to mental health supports for school-aged youth.

Providing Support after Traumatic Events

\$40 million to improve treatment and services for children, adolescents, and families who have experienced traumatic events.

Hire More School-Based Mental Health Professionals

\$300 million to help schools hire more school-based mental health professionals and help achieve the goal of doubling the number of school counselors. The purpose is to build and fortify a strong pipeline to train and place more school-based mental health professionals.



Navigate COVID Relief Funding

Managed by the U.S. Department of Education, the Education Stabilization Fund (ESF) is an investment of over \$263 billion into state and institutional COVID-19 recovery and rebuilding efforts to prevent, prepare for, and respond to the coronavirus impacts on education for our nation's students. The ESF includes distinct emergency relief funds relating specifically to mental health service provision: (1) the Elementary and Secondary School Emergency Relief (ESSER) Fund and (2) the Governor's Emergency Education Relief (GEER) Fund.

Elementary and Secondary School Emergency Relief (ESSER) Fund

Representing the largest infusion of federal dollars ever to schools and stemming from three pieces of legislation (ESSER I, II, and III), ESSER allocations total \$189.5 billion to state educational agencies. State education agencies then award subgrants to local educational agencies to address the impact of COVID-19 on children. A wide range of entities, including organizations serving students and families, may be a "subrecipient" of funds.

ESSER funding allocates an additional \$30,000 per student. Yet, most states have not yet spent all their awarded ESSER funds. ESSER III funding will expire in 2024. If districts haven't allocated funds by then, the monies will disappear.

For many school-district leaders, the greatest hurdle to spending ESSER monies is finding sufficient staff. ESS supplements school staff by offering tiered offerings for mental health services. In growing staff capabilities, ESS assists districts in implementing programming funded by ESSER dollars.

Governor's Emergency Education Relief (GEER) fund

GEER grants are awarded directly to state governors for the purpose of providing local educational agencies, institutions of higher education, and other education related entities with emergency assistance. Governors may use these funds to provide support through a subgrant to an entity the Governor "deems essential" for carrying out emergency educational services, providing childcare and early childhood education, providing social and emotional support, and protecting education-related jobs. GEER funding will expire in 2023.

GEER funding may be distributed to public agencies or private entities that coordinate or directly provide early intervention services under the Individuals with Disabilities Education Act (IDEA). ESS programming falls under this programming bucket.

Funding Checklist for Schools and Districts

Funding Source	Possible Funding Source For My District?	Next Steps
Title IA		
Title II-A		
Title IV Part A		
IDEA		
AWARE		
School – Based Mental Health Services Grant Program		
State Specific Mental Health Funding Sources		
Medicaid		
Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit		
Achieve Cost Savings through the Reduction and Prevention of ODP/NPS Placements		
Bipartisan Safer Communities Act (BSCA) Funding		
Elementary and Secondary School Emergency Relief (ESSER) Fund		
Governor’s Emergency Education Relief Fund (GEER)		



To schedule a planning session with our Funding Consulting Team, contact us at info@effectiveschoolsolutions.com or **973-299-9954**



About



Effective School Solutions

School districts across the country have found success with comprehensive clinical programs embedded in the school day.

Operated by expert outside providers in full partnership with host districts, these programs support the kids who need the most help. Effective School Solutions (ESS) partners with school districts to help them implement mental health programs that improve care, strengthen outcomes, and maintain students in-district.

We offer a continuum of care by introducing mental health best practices and innovative clinical programs into the traditional school day, providing each student with comprehensive support tailored to their needs.

We can help!

ESS has a special Funding Consulting Team made up of former school administrators (superintendents, directors of special services, business administrators) with significant expertise in implementing sustainable, long-term funding of school-based mental health initiatives. We would be pleased to have a member of our Advisory Team meet with you to help form a plan to sustainably fund your mental health initiatives.

To schedule a mental health planning session, please contact:

info@effectiveschoolsolutions.com
or 973-299-9954

Learn more about how Effective School Solutions can partner with your school district

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