

October 4, 2019

William E. Kirwan, Chair Maryland Commission on Innovation and Excellence in Education Maryland Department of Legislative Services 90 State Circle Annapolis, MD 21401

Dear Chairman Kirwan:

The Maryland Assembly on School-Based Health Care (MASBHC) would like to provide an update on the implementation of SB 1030 and new funding in FY 2020 for health care services in schools with 80% concentrations of poverty. This includes areas of concern that we have identified and recommendations for the Commission's consideration as further funding recommendations are discussed throughout the remainder of this year.

## **Foundation vs. Categorical Funding**

Because resources to establish and expand school-based health centers are scarce, MASBHC strongly believes that funding should be directed to areas with the greatest identified need and where there is support, in concept and infrastructure, from within the school building, greater school system, and community health partners. With this, MASBHC has long supported the existing annual grant process managed by the Maryland State Department of Education (MSDE) and has concerns with including new grant dollars recommended under Element 4b into the Foundation/Base funding for local school systems.

Since the late 1990s, MSDE has been responsible for awarding annual grants totaling \$2.5 million. In addition to establishing statewide standards for school-based health centers, MSDE also has existing processes for collecting data, including staffing data and the number of health services delivered, broken out by somatic, mental health, substance use disorders, and dental.

While we anticipate that more jurisdictions will establish school-based health centers beyond the 12 areas where centers currently exist, we also realize that not all school systems will have an identified need that corresponds to their per pupil funding allocation. This is due in part, on the availability of existing community health providers and whether or not students experience barriers to community health services (e.g., uninsured students).

Recommendation: In order to ensure that dollars are distributed to areas with the greatest unmet needs, we are recommending that dedicated funding in the amount of \$6.5 million recommended under Element 4b be included with existing grant dollars awarded by MSDE. This would provide an annual total of \$9 million to support school-based health centers as previously recommended by the Commission. We believe this will ensure greater accountability as MSDE can measure services provided year-to-year.



## **Redistribution of Health Services Funding**

Under §5-203D(3) of the Education Article, eligible schools are permitted to use excess funds to provide wraparound services if grant funds exceed the cost to employ the community schools coordinator and health care practitioner. Because the 2019 legislation requires "coverage" of certain health care staffing and does not require a specified dollar amount, we are aware of multiple instances where local school systems are diverting as many grant dollars as possible away from the health care practitioner requirement in order to redirect funds to alternative priorities identified by the local school system. From what we have been able to ascertain from the small sample of local jurisdictions we have reviewed, this practice is occurring without the consultation of eligible schools.

In addition, MASBHC is concerned by that the provision under §5-203C(1)(III), which permits local school systems with at least 40 eligible schools to expend funding earmarked for health care staffing on behalf of eligible schools in that jurisdiction. We are very concerned that this provision provides too much flexibility to local school systems to redirect funds to meet currently unfunded priorities or mandates. In addition, while the provision requires local school systems to consult with eligible schools, there is no recourse for eligible schools who disagree with funding decisions by the local school system.

Finally, because of the issues raised above, MASBHC is not aware of any jurisdiction, from those we have reached out to, that has invested new funding into expanding or establishing new school-based health centers. What we have heard is that if an eligible school has a school-based health center with a full-time nurse practitioner on staff, that the school has met the "coverage" requirements set out in the 2019 legislation and funds are then redirected to non-health service projects. This is not due from a lack of requests from school-based health centers or their community partners, who would like to expand services, including behavioral health services, to more schools.

Recommendation 1 – Repeal the Excess Funding Provision: MASBHC is requesting that the Commission include in its recommendations an amendment to the statute to remove the existing flexibility under §5-203D(3) of the Education Article. This change would ensure that funding designated for the provision of health care services is spent on this purpose. SB 1030 allocated \$248,833 in FY 2020 for schools with a concentration of poverty of at least 80%. Of this, \$126,170 is earmarked for a Director of Community Schools position, leaving \$122,633 to ensure full-time health services coverage. This is approximately what the Commission determined would be needed to hire one full-time health care practitioner. With this, we do not believe it was the intent of the Commission or Legislature to redirect funds, but instead to account for any unspent dollars. Given that unspent dollars should be minimal, MASBHC would recommend that any excess dollars from the \$122,633 be allocated for school health services and school-based health centers to offset underfunded items such as additional staffing, supplies, and equipment.

In addition, we believe that as additional wraparound services are funded through the implementation of per pupil funding under the Concentration of Poverty grants, that the need for flexibility during the bridge funding year will no longer be necessary as both health services and wraparound services will have their own dedicated funding streams.



• Recommendation 2 – Repeal the 40 Schools Provision: While we understand the intent of this provision in the 2019 legislation to address possible economies of scale, we do not believe that it can be implemented as intended. We believe this issue should be addressed as soon as possible before more school systems meet this threshold once the Concentration of Poverty grants include schools with 55% or more. Once this happens, MASBHC strongly believes that this provision will further enable school systems to divert funding allocated for health services, including behavioral health services, to other programming with little to no accountability.

Thank you for the opportunity to submit these comments to the Commission. If you have any questions regarding school-based health centers as the Funding Formula Workgroup finalizes its recommendations, please contact Rachael Faulkner, our public policy and governmental affairs consultant. She can be reached at <a href="mailto:rfaulkner@policypartners.net">rfaulkner@policypartners.net</a> or (410) 693-4000.

Sincerely,

Patryce A. Toye, MD

Patrya L. Try. MS

President

Donna Behrens

Immediate Past President Chair, Policy Committee

Donna Belviers