



# Bill Draft 2017-MT-147: School Nurses Reform/PED Report.

2017-2018 General Assembly

<b>Committee:</b>	Joint Legislative Program Evaluation	<b>Date:</b>	February 12, 2018
	Oversight Committee		
<b>Introduced by:</b>		<b>Prepared by:</b>	Matt M. Pagett
<b>Analysis of:</b>	2017-MT-147		Staff Attorney

**OVERVIEW:** *Draft 2017-MT-147 would direct the State Board of Education to recommend a new school nurse staffing standard and develop a coordinate implementation plan, direct DHHS and DPI to develop a plan to consolidate school nurse funding, require DHHS to examine Medicaid rates for school-based nursing services, and establish Medicaid reimbursement for school-based nursing services documented on 504 plans and Individual Health Plans, as recommended by a Program Evaluation Division Report.*

**CURRENT LAW:** Section 7.32 of S.L. 2003-284 directed the State Board of Education to "review the standard for the number of school nurses recommended" to determine whether they were being met and make recommendations on that standard. In 2004, the State Board responded that nurses were funded at one for every 3,000 students with at least one nurse for every county. Generally, the State Board recommended a standard of one nurse for every 750 students.<sup>1</sup> Funding through the School Nurse Funding Initiative and Child and Family Support Team Initiative was provided for nurses in subsequent budget years to the Department of Health and Human Services (DHHS) and the Department of Public Instruction (DPI), respectively. G.S. 130A-4.3, enacted in Section 11E.1 of S.L. 2017-57, directs DHHS to use State funds to supplement, not supplant, other funds providing for school nurses and ties those funds to (i) school nurse-to-student ratio, (ii) percent of students eligible for free or reduced meals, (iii) percent of children in poverty, (iv) per capita income, (v) eligibility as a low-wealth county, (vi) mortality rates for children between one and 19, (vii) percentage of students with chronic illness, (viii) percentage of county population consisting of minority persons.

Section 12H.9 of S.L. 2016-94 directed the DHSS to study school-based health services and report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice by November 1, 2016. In its report, DHHS conducted a review of school-based nursing services and noted that Medicaid currently covers school-based nursing services for which the necessity is documented on a recipient's Individualized Education Plan and Individuals Family Service Plan. DHHS recommended coverage of school-based nursing services that are also documented on a 504 Plan or an Individualized Health Plan. DHHS anticipated a minimum of 18 months for completion of the State Plan amendment to effectuate this change and a 6-month approval time line from the Centers for Medicare and Medicaid Services.<sup>2</sup>

<sup>1</sup> <http://www.ncleg.net/documentsites/committees/JLEOC/Reports%20Received/Archives/2004%20Reports%20Received/School%20Nurse%20Services.pdf>.

<sup>2</sup> <http://www.ncleg.net/documentsites/committees/BCCI-6660/Reports%20to%20the%20LOC/Reports%20Received%20in%202016/SL%202016-94%20Sec%2012H.9-School%20Based%20Health%20Services%2011.1.2016.pdf>.

Kory Goldsmith  
Director



Legislative Drafting  
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# Draft

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**BILL ANALYSIS:** Draft 2017-MT-147 would do the following:

- Section 1 would require the State Board of Education, with DHHS and DPI, to recommend a necessary staffing standard of school nurses to students and develop an implementation plan to achieve that standard. Plan requirements are outlined in the section. The State Board would report to the Joint Legislative Education Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services by January 15, 2020.
- Section 2 would require DHHS and DPI to prepare a recommended plan to consolidate the School Nurse Funding Initiative and the Child and Family Support Team Initiative into a single program based on an acuity model. Plan requirements are outlined in the section. DHHS and DPI would report to the Joint Legislative Education Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services by May 1, 2020.
- Section 3 would require the DHHS to conduct an examination of the rates paid for school-based nursing services and report the results of this examination to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division no later than December 1, 2018. This section outlines the requirements of that examination.
- Section 4 would require DHHS to submit to the Centers for Medicare and Medicaid (CMS) any State Plan Amendment or waiver necessary to establish Medicaid reimbursement for school-based nursing services that are documented on a Medicaid recipients' 504 Plan or Individualized Health Plan. The submission must be made no later than October 1, 2018. DHHS is required to report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division on the status of this submission no later than December 1, 2018.

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

**BACKGROUND:** The report, entitled "Meeting Current Standards for School Nurses Statewide May Cost Up to \$79 Million Annually," Report # 2017-04, May 1, 2017, can be found online at: [https://www.ncleg.net/PED/Reports/documents/SchoolNurses/School\\_Nurses\\_Report.pdf](https://www.ncleg.net/PED/Reports/documents/SchoolNurses/School_Nurses_Report.pdf).

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017**

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**BILL DRAFT 2017-MTz-147 [v.14] (01/11)**

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)  
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Short Title: School Nurses Reform/PED Report.

(Public)

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Sponsors:

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Referred to:

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A BILL TO BE ENTITLED

1 AN ACT TO DIRECT THE STATE BOARD OF EDUCATION TO RECOMMEND A  
2 SCHOOL NURSE STAFFING STANDARD AND DEVELOP AN IMPLEMENTATION  
3 PLAN TO MEET THAT STANDARD, TO DIRECT THE DEPARTMENT OF HEALTH  
4 AND HUMAN SERVICES AND THE DEPARTMENT OF PUBLIC INSTRUCTION TO  
5 DEVELOP A PLAN TO CONSOLIDATE CERTAIN SCHOOL-BASED NURSING  
6 FUNDING PROGRAMS, TO REQUIRE THE DEPARTMENT OF HEALTH AND  
7 HUMAN SERVICES TO EXAMINE MEDICAID RATES FOR SCHOOL-BASED  
8 NURSING SERVICES, AND TO ESTABLISH MEDICAID REIMBURSEMENT FOR  
9 SCHOOL-BASED NURSING SERVICES DOCUMENTED ON 504 PLANS AND  
10 INDIVIDUAL HEALTH PLANS, AS RECOMMENDED BY A PROGRAM  
11 EVALUATION DIVISION REPORT.  
12

13 The General Assembly of North Carolina enacts:

14 **SECTION 1.** No later than January 15, 2020, the State Board of Education, in  
15 consultation with the Department of Health and Human Services (DHHS) and the Department  
16 of Public Instruction (DPI), shall study school-based nursing services provided in the State and  
17 submit to the Joint Legislative Education Oversight Committee and the Joint Legislative  
18 Oversight Committee on Health and Human Services a report containing (i) a recommended  
19 staffing standard of school nurses to students or student populations considered necessary to  
20 meet the health needs of students and (ii) an implementation plan for achieving the  
21 recommended staffing standard. The report shall also include at least all of the following  
22 information:

- 23 (1) The extent to which school-based nursing services currently offered are  
24 meeting the health needs of students and the extent to which school-based  
25 nursing services would meet the health needs of projected student  
26 populations.  
27 (2) The prevalence and effect of permitting unlicensed assistive personnel to  
28 provide student care in the absence of a nurse.  
29 (3) The school-based nursing staffing standard currently recommended by the  
30 National Association of School Nurses.  
31 (4) A model for the distribution of State funding for school-based nursing  
32 services, including factors to consider when determining statewide funding  
33 priorities, in lieu of awards based on specific criteria, given the base level of  
34 funding provided.



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- 1 (5) An estimate of the amount of State funding needed to implement the
- 2 recommended staffing standard.
- 3 (6) A suggested timeline to achieve the recommended staffing standard.
- 4 (7) Any other information the State Board deems relevant.

5 **SECTION 2.** No later than May 1, 2020, the Department of Health and Human  
6 Services (DHHS) and the Department of Public Instruction (DPI) shall jointly develop and  
7 submit to the Joint Legislative Oversight Committee on Health and Human Services and the  
8 Joint Legislative Education Oversight Committee a proposed plan to (i) consolidate the School  
9 Nurse Funding Initiative and funding for school-based nursing services through the Child and  
10 Family Support Team Initiative into a single program, based on an acuity model, and (ii)  
11 allocate funds for school-based nursing services from the consolidated program beginning in  
12 the 2020-2021 fiscal year. DHHS and DPI shall not implement the proposed consolidation plan  
13 except as directed by an act of the General Assembly. The proposed consolidation plan shall  
14 include at least all of the following information:

- 15 (1) A memorandum of understanding describing how DHHS and DPI would
- 16 communicate and interact to oversee and operate the consolidated program.
- 17 (2) Recommendations as to which department should have primary or total
- 18 responsibility for the program, including information about any potential
- 19 fiscal or staffing impacts resulting from consolidation.
- 20 (3) Recommendations for implementing an acuity model, i.e., a nurse allocation
- 21 model based on differentiated needs, for funding school-based nursing
- 22 services at the statewide level. These recommendations should include
- 23 factors, weights, and data sources suggested for developing the statewide
- 24 acuity model.
- 25 (4) An estimate of the frequency with which the State should reevaluate the
- 26 allocation of funding for school-based nursing services based on the
- 27 statewide acuity model.
- 28 (5) Recommendations for promoting the development of a local acuity model in
- 29 each local school administrative unit.
- 30 (6) Any other information DHHS and DPI deem relevant to the successful
- 31 implementation of their proposed consolidation plan.

32 **SECTION 3.** No later than December 1, 2018, the Department of Health and  
33 Human Services (DHHS) shall report to the Joint Legislative Oversight Committee on  
34 Medicaid and NC Health Choice and the Fiscal Research Division regarding the results of an  
35 examination of the rates paid for school-based nursing services provided to Medicaid  
36 recipients. The examination shall include consultation with the Division of Public Health  
37 School Health Consultant Team, the Department of Public Instruction, and representatives from  
38 Local Education Agencies. The examination shall include a consideration of an increase in  
39 school-based nursing services Medicaid rates, whether an increase would encourage Local  
40 Education Agencies to submit for Medicaid reimbursement when applicable, and whether an  
41 increase in the rate paid for school-based nursing services would require an increase in the rate  
42 paid for any other Medicaid services, whether provided in schools or any other setting.

43 **SECTION 4.(a)** No later than October 1, 2018, the Department of Health and  
44 Human Services shall submit to the Centers for Medicare and Medicaid any State Plan  
45 amendment or any waiver necessary to establish Medicaid reimbursement for school-based  
46 nursing services that are documented on a recipient's 504 Plan or Individual Health Plan.

47 **SECTION 4.(b)** No later than December 1, 2018, the Department of Health and  
48 Human Services shall report to the Joint Legislative Oversight Committee on Medicaid and NC  
49 Health Choice and the Fiscal Research Division regarding the status of the State Plan  
50 amendment submitted under subsection (a) of this section.

51 **SECTION 5.** This act is effective when it becomes law.