



# Education

## Expand use of the free care rule reversal beyond behavioral health services to cover all health services.

### WHY

In July 2023, Tennessee began using the free care rule reversal that occurred in 2014 by no longer requiring medically necessary, covered behavioral health services to be in the student's IEP to be reimbursed by TennCare.<sup>1</sup>

This is a major step in accessing reimbursement for mental health services provided in schools, as many students may have behavioral health needs that do not rise to the level of an IEP.

Many of the states that have opted to take advantage of the free care rule reversal have done so for all health services, not just behavioral health.<sup>2</sup>

In Tennessee, roughly 55 percent of those under 18 are covered by TennCare meaning many of the health services provided at schools could be eligible for reimbursement.<sup>3</sup>

**By expanding the use of the free care rule reversal beyond behavioral health services to all health services the state will be able to access reimbursement funds, reduce the cost-burden and potentially expand health services in schools.**

**During the 2021-22 school year, 141 public school districts conducted 999,783 student health screenings.<sup>4</sup>**

**In Tennessee, more than half of children are insured through TennCare or CoverKids.<sup>3</sup>**

**Since TennCare is generally made up of about two-thirds federal funds, billing these services to TennCare reduces cost to Tennessee.**

**Based on a 180-day school year, there were an average of 25,647 student encounters with a school nurse per day during the 2020-21 school year.<sup>4</sup>**

- The most common types of health services provided to students by a licensed health care provider in Tennessee public schools include:**
- Care of ill/injured students and staff
  - Skilled nursing services to students with health needs in general education
  - Skilled nursing services to students with special needs with an IEP
  - Medication administration to students
  - Health screenings