

Medicaid's Support for Children and Students



Medicaid provides more than [\\$7.5 billion for school-based services](#), including mental health services, speech, physical, and occupational therapy, and specialized equipment. Medicaid provides health care services to nearly half of our nation's children. Currently, there is a process by which schools can seek reimbursement for services provided to Medicaid-enrolled students with an individualized education program (IEP) established by the Individuals with Disabilities Education Act (IDEA). A set of resources to support states and families to understand how to access Medicaid reimbursement for school-based services is available here: <https://www.medicaid.gov/resources-for-states/medicaid-state-technical-assistance/medicaid-and-school-based-services>

68% of districts use Medicaid funding to pay for direct salaries for health professionals who provide services for students	50% of all children receiving special education services are eligible for Medicaid.	Medicaid is the 4th largest funding stream for school districts.
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What Medicaid means for children with disabilities:

- **Early Intervention:** In 2023, approximately [540,000 infants and toddlers received early intervention services](#) under IDEA Part C. Medicaid is a key source of funding for Part C services.
- **Access to Assistive Technology:** In school districts across the nation, [46% use Medicaid funds for assistive technology](#) and specialized equipment for students with disabilities.
- **Rural access to care and community well-being:** [Developmental disabilities are more prevalent among children in rural areas.](#) Medicaid supports School-Based Health Centers (SBHCs) which allow children with disabilities [reduce barriers to care in rural communities.](#)
- **Educational Outcomes:** Access to school health providers [improves health and academic outcomes](#) for students with disabilities.

Reduced federal funding for Medicaid could:

- **Put programs serving children with disabilities at risk:** [Cuts to Medicaid will reduce](#) mental and behavioral health services, student resources like assistive technology, and the capacity of school health personnel to provide prevention and early intervention services for students with disabilities.
- **Squeeze state budgets:** Without Medicaid funding to support the services and programs to comply with IDEA and help disabled students, states will be [forced to draw from alternate funding sources](#) to cover the gaps Medicaid currently fills for these services.
 - o Fewer Medicaid dollars could lead to deficits in districts that require increases in property taxes or new levies necessary for states to meet their obligations to students with disabilities.

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