



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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For additional information, contact  
Elleka Yost, ASBO International  
[eyost@asbointl.org](mailto:eyost@asbointl.org), 866.682.2729

**ASBO INTERNATIONAL SURVEYS SCHOOL LEADERS  
ON MEDICAID REFORM**

Reston, VA – February 7, 2017 – The Association of School Business Officials International (ASBO) conducted a joint survey with AASA–The School Superintendents Association and the Association of Educational Services Agencies (AESAs) to assess the impact of new Republican proposals to refinance Medicaid for K–12 schools. Nearly 1,000 school business officials, superintendents, special education directors, and education service agency leaders in 42 states were surveyed to determine how a per-capita cap or block grant to the Medicaid program would affect schools. A full report of the survey results is available in AASA’s “[Cutting Medicaid: A Prescription to Hurt the Neediest Kids](#),” and a summary of the report can be found [here](#).

Republican proposals to refinance Medicaid would reduce federal spending by up to 30% by either implementing a per-capita cap or a block grant to distribute program funding, which would shift extra costs to states. School business officials and other district leaders expressed overwhelming concern that impoverished students and students with disabilities would be disproportionately affected by these proposals. Medicaid has permitted payments to schools for medically necessary services/equipment for children under the Individuals with Disabilities Education Act (IDEA), for Early Periodic Screening Diagnosis and Treatment Benefits (EPSDT) for eligible students, and other services. Reduced funding would jeopardize schools’ ability to provide the many health screening, diagnosis, and treatment services that Medicaid-eligible children currently receive, and would especially impact low-income children who cannot afford access to these services elsewhere.

ASBO International Executive Director John Musso notes that reduced Medicaid funding would squeeze more than the district’s special education budget. “Fewer Medicaid dollars translates into lower-quality health services for our most vulnerable students, and fewer dollars for other K–12 programs. School districts rely on Medicaid funding to comply with IDEA requirements, so any reduction in funds will force districts to pull money from elsewhere and fill the gap.”

IDEA law authorizes federal funding to school districts to support students with disabilities provided that certain federal mandates are met, but the law is severely underfunded. Districts only receive 16% of the additional cost required to educate a student with a disability from the federal government, even though Congress pledged to provide 40% of that amount when IDEA was enacted. States and districts must make up for the federal shortfall in funding, which they



rely on Medicaid dollars to do. Fewer Medicaid dollars not only takes money away from other K–12 programs, but jeopardizes a district’s ability to comply with IDEA, too.

Respondents echoed this concern in the joint Medicaid survey as well, wondering how districts would be able to maintain special education program quality and meet federal mandates with fewer dollars if Medicaid spending were cut. One survey question asked how districts specifically used their Medicaid dollars, with the top three answers being for salaries for health professionals who provide student services (69%); expanding student health-related services (45%); and facilitating outreach/coordination to refer children to services (39%). Not only would less funding prevent districts from providing these benefits to vulnerable students, but school leaders also acknowledged that Medicaid cuts could result in new local tax levies or requests for higher taxes.

To learn more about the joint Medicaid survey, [read the full report](#).

For more information about school-based Medicaid services for children, [see this infographic](#).

### **About ASBO International**

Founded in 1910, the Association of School Business Officials International (ASBO) is an educational association of 4,500 members that supports school business professionals. ASBO International is committed to providing programs, services, and a global network that promote the highest standards of school business management, professional growth, and the effective use of educational resources. For more information about ASBO International, visit [asbointl.org](http://asbointl.org).

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