Business Planning for Sustainable School-Based Mental Health Services

Developing a business plan to sustain a school mental health program forces a critical examination of the school community to be served (the market), gaps in services (gap analysis), how the program will address the gaps (what services will be offered by whom and where), a definition of program goals, and the sources (revenues) and use (expenses) of funds.

In the planning process, one key revenue source that must be considered is third-party reimbursement. A sustainability plan must factor in all possible services that would be covered by Medicaid or private insurers and how to ensure these potential reimbursements are captured. By paying closer attention to patient care revenues as part of a planning process, school mental health providers will increase the likelihood of continuous support for the program, thereby increasing the likelihood of sustaining services.

1. Identifying the right people who can make things happen.
   In developing the business plan, it is important to identify and meet with representatives of the insurance carriers you hope to bill. This includes commercial insurance carriers who have clients in the community as well as representatives from the local or state Medicaid office. Working with insurers may be a new role for school mental health providers and working with school mental health programs may be new for the insurers, so establishing a trusting and effective partnership early in the game is important.

2. Getting the right pieces in place to bill.
   Determine the 3 E’s -- Eligible Services, Eligible Clients, Eligible Providers -- for each insurer. These fundamentals underpin the insurance-based, health care delivery model. There are eligible enrollees, who receive eligible services that are delivered by providers who are empanelled or are certified as eligible to be reimbursed for services by the plan.
   The providing organization must have credentialed staff, a defined list of services, established methods for billing and collections, an identified list of billing codes that align with those covered by insurers, and have a system in place for reconciling claims and following up on claims denied.

3. Managing the billing process.
   Once an agreed-upon system for billing and reimbursement is established, getting a mechanism in place to resolve billing and reimbursement issues as they develop is essential.
   Decisions will need to be made about how to handle commercial insurance when there is a required co-payment or deductible. Decisions also need to be made about how to handle cash payment for services.
   School mental health providers historically have not pursued collection of co-payments from students or their families. However, the benefit of pursuing private third-party payments is worth giving thought to dealing with any requirements around the collection of co-payments.

4. Maintaining healthy working relationships.
   There will be bumps in the road, but by developing a collaborative environment at the beginning of the relationship, and maintaining open lines of communication throughout the process, challenges can usually be resolved. Create processes and expectations for ongoing dialogue to address new issues as they arise and be prepared to think innovatively about approaches. Having advocates in the community for ensuring the sustainability of these important student-serving services will go a long way when risks or threats arise.

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