WSR 26-16-081
PREPROPOSAL STATEMENT OF INQUIRY
HEALTH CARE AUTHORITY

[Filed August 5, 2026, 7:59 a.m.]

Subject of Possible Rule Making: Chapter 182-537 WAC, School-based health care services (SBHS); other related rules as appropriate.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 41.05.021 and 41.05.160.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: The health care authority (HCA) is sunsetting the current, three distinct medicaid reimbursement options available to schools today for services provided by school staff: SBHS fee-for-service program for health care services provided to students with individualized education programs (IEPs)/individualized family service plans (IFSPs), medicaid administrative claiming (MAC) program for administrative activities, and managed care contracting for behavioral health services provided to students without an IEP/IFSP.

To replace these, HCA is implementing one comprehensive school-based services (SBS) program using a cost-based reimbursement (CBR) methodology for direct and administrative services provided to apple health-enrolled students pursuant to a special education plan (IEP, IFSP, or 504), and/or other individualized health or behavioral health plan. CBR uses a random moment time study and certified public expenditure (CPE) for all SBS, similar to the current MAC program. With CPE, schools use their own state and local education funds to pay for services and certify their actual, allowable expenditures for apple health-covered services, and then receive federal medicaid reimbursement to offset those verified costs.

This model allows schools to recover a portion of staff salaries and benefits for the time spent delivering apple health-reimbursable services and administrative activities. HCA is amending chapter 182-537 WAC to support these changes. During this review, HCA may identify additional related changes that improve clarity or update policy.

Other Federal and State Agencies that Regulate this Subject and the Process Coordinating the Rule with These Agencies: None.

Process for Developing New Rule: HCA welcomes the public to take part in developing this rule. If interested, contact the person(s) identified below to receive an early rule draft to review. After the early review, HCA will send a notice of proposed rule making (CR-102) to everyone receiving this notice and anyone who requests a copy.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Jason Crabbe, Rule-making Questions, P.O. Box 42716, Olympia, WA 98504-2716, phone 360-725-9563, fax 360-586-9727, telecommunication relay services (TRS) 711, email jason.crabbe@hca.wa.gov, website www.hca.wa.gov/about-hca/rulemaking; or Reilly Fairbrother, Program Questions, P.O. Box 42716, Olympia, WA 98504-5530, phone 360-725-5137, fax 360-586-9727, TRS 711, email hcasbs@hca.wa.gov, website www.hca.wa.gov/about-hca/rulemaking.

August 5, 2026
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