

DEPARTMENT OF HEALTH



PROPOSED CHANGES TO REGULATIONS.

Medicaid Coverage & Payment for School-Based Services.

- 7 AAC 115. Medicaid Coverage; Therapies and Related Services.
- 7 AAC 145. Medicaid Payment Rates.
- 7 AAC 160. Medicaid Program; General Provisions.



PUBLIC REVIEW DRAFT
September 29, 2026.

SUPPLEMENTAL PUBLIC NOTICE COMMENT PERIOD ENDS:
November 6, 2026.

Please see the public notice for details about how to
comment on these proposed changes.

Notes to the reader:

1. Except as discussed in note 2, new text that amends an existing regulation is **bolded and underlined**.
2. If the lead-in line above the text of each section of the regulations states that a new section, subsection, paragraph, or subparagraph is being added, or that an existing section, subsection, paragraph, or subparagraph is being repealed and readopted (replaced), *the new or replaced text is not bolded or underlined*.
3. [ALL-CAPS TEXT WITHIN BRACKETS] indicates text that is to be deleted.
4. When the word “including” is used, Alaska Statutes provide that it means “including, but not limited to.”
5. Only the text that is being changed within a section of the current regulations is included in this draft. Refer to the text of that whole section, published in the current Alaska Administrative Code, to determine how a proposed change relates within the context of the whole section and the whole chapter.

Title 7. Health and Social Services.**Chapter 115. Medicaid Coverage; Therapies and Related Services.**

7 AAC 115.600 is repealed and readopted to read:

7 AAC 115.600. School-based services. (a) The department will enroll an in-state school district as a Medicaid provider of school-based services if the school district meets the requirements of AS 47.07 and 7 AAC 105 - 7 AAC 160 and enters into an agreement with the department as required by AS 47.07.063.

(b) The department will pay a school district that is enrolled under 7 AAC 105.210 and this section for a service provided to a school district student if

- (1) the student is eligible for Medicaid on the date the service is provided;
- (2) the service is identified in (c) of this section as a covered service;
- (3) the service is

(A) provided under the student's current treatment plan that identifies the service as medically necessary;

(B) provided under the student's current individualized education program developed under AS 14.30.278 or the student's individual family support plan developed in accordance with AS 47.20.060 – 47.20.110, that identifies the service as medically necessary;

(C) an EPSDT screening service or other service covered under 7 AAC 110.200 - 7 AAC 110.210; or

(D) a medication service covered under (c) of this section;

(4) the provider is

(A) acting within the scope of the provider's

(i) license or certification; or

(ii) training and experience, if the health care provider is a psychologist or psychological associate described in (f) of this section, a mental health professional clinician, a behavioral health clinical associate, or a speech-language pathologist; and

(B) acting in accordance with

(i) the student's treatment plan, individualized education program, or individual family support plan; or

(ii) evidence-based guidelines and school district policies for identifying the need to evaluate or assess a student when conducting an evaluation or assessment; and

(5) the school district has obtained and documented parental consent to disclose the student's personally identifiable information and bill the department, in accordance with 34 C.F.R. Part 99 and 34 C.F.R. 300.154.

(c) The department will pay a school district for the following services furnished in accordance with 7 AAC 105 - 7 AAC 160 to a Medicaid-eligible child, and for materials and supplies provided to the child in the course of performing the services, if those materials and supplies are furnished in accordance with 7 AAC 105 - 7 AAC 160:

(1) physical therapy services furnished by or under the direction of a physical therapist licensed under AS 08.84, and practicing in accordance with 7 AAC 115.300 - 7 AAC 115.320, regardless of whether that person is enrolled under 7 AAC 115.300, except that

(A) physical therapy services may be provided without a prescription, order, or referral;

(B) an initial or updated treatment plan does not have to be reviewed or signed by a physician, advanced practice registered nurse, or physician assistant;

(C) the treatment plan requirement may be met by the student's individualized education program or individual family support plan.

(2) occupational therapy services furnished by or under the direction of an occupational therapist licensed under AS 08.84, and practicing in accordance with 7 AAC 115.100 - 7 AAC 115.120, regardless of whether that person is enrolled under 7 AAC 115.100, except that

(A) occupational therapy services may be provided without a prescription, order, or referral;

(B) an initial or updated treatment plan does not have to be reviewed or signed by a physician, advanced practice registered nurse, or physician assistant;

(C) the treatment plan requirement may be met by the student's individualized education program or individual family support plan.

(3) speech-language pathology services furnished by or under the direction of a speech-language pathologist who meets the requirements of 42 C.F.R. 440.110(c), or is licensed under AS 08.11 and is practicing in accordance with 7 AAC 115.400 - 7 AAC 115.420, regardless of whether that person is enrolled under 7 AAC 115.400, except that

(A) speech-language pathology services may be provided without a prescription, order, or referral;

(B) an initial or updated treatment plan does not have to be reviewed or signed by a physician, advanced practice registered nurse, or physician assistant;

(C) the treatment plan requirement may be met by the student's individualized education program or individual family support plan.

(4) hearing services furnished by or under the direction of an audiologist licensed under AS 08.11, and practicing in accordance with 7 AAC 115.500 - 7 AAC 115.549, regardless of whether that person is enrolled under 7 AAC 115.500;

(5) behavioral health services including

(A) the following services furnished by a behavioral health associate or behavioral health professional:

(i) emotional support assistance to help a child process emotion during periods of elevated stress;

(ii) behavior management education that teaches behavior management, modification, and redirection techniques to elicit positive behaviors with families, groups, and individuals;

(B) the following services furnished by a behavioral health professional:

(i) crisis response services that include short-term interventions to prevent harm, build coping skills, develop mechanisms for positive self-care, and stabilize a child or family in acute distress;

(ii) behavior modification assistance using counseling techniques to assist in modifying behavior to individuals and groups;

(iii) functional behavioral assessments to assess a child's behavior;

(iv) psychoeducational services designed to help a child develop or improve specific self-care skills and engage in age-appropriate social behavior; and

(C) services furnished by a psychologist or a psychological associate, including

(i) testing a child's psychological, cognitive, and emotional functioning; and

(ii) interpreting a child's psychological, cognitive, emotional, and behavioral assessment results;

(6) medication services rendered by a nurse licensed under AS 08.68 and in accordance with 4 AAC 52.630 and policies established by the school district, including medication administration, direct observation, training, and support.

(d) A school district enrolled under this section shall ensure that a student's clinical record meets the requirements for provider records in 7 AAC 105.230 and 7 AAC 105.240.

(e) If an individualized education program developed under AS 14.30.278 or an individual family support plan developed in accordance with AS 47.20.060 – 47.20.110 was developed for the child, and if the applicable requirements of 7 AAC 105 - 7 AAC 160 are

otherwise met, nothing in this section precludes a private enrolled provider from furnishing the same service to the same child at a different time on the same day that the child was furnished a school-based service. However, if a private enrolled provider enters a school and provides services during the school day, only the private provider or the enrolled school district can bill for the service, but not both.

(f) In this section,

(1) "behavioral health clinical associate" has the meaning given in 7 AAC 160.990, but does not include a person employed as a teacher by the school district;

(2) "mental health professional clinician" has the meaning given in 7 AAC 160.990, except that it does not include a person employed as a teacher by the school district;

(3) "psychologist or psychological associate"

(A) means a psychologist or psychological associate

(i) licensed under AS 08.86 and working within the scope of the person's license; or

(ii) with a special services certificate (Type C) under 4 AAC 12 endorsed in "school psychology," who is employed by the school district and working within the scope of the person's training and experience; and

(B) does not include a person employed as a teacher by the school district;

(4) "school-based service" means a service identified in this section that is furnished in accordance with AS 47.07 and 7 AAC 105 - 7 AAC 160 at a school facility, on school grounds, or via telehealth as authorized under 7 AAC 110.145, by a school district to a Medicaid-eligible child;

(5) "school district" has the meaning given in AS 47.07.063. (Eff. 2/1/2010,

Register 193; am 4/24/2020, Register 234; am ____/____/_____, Register_____)

Authority: AS 47.05.010 AS 47.07.040 AS 47.07.063

AS 47.07.030 **AS 47.07.020**

7 AAC 145.350 is amended to read:

7 AAC 145.350. School-based services payment rates. (a) The department will pay for school-based services in accordance with 7 AAC 145.020, not to exceed 85 percent of the rate established under 7 AAC 145.050. For school-based services for which a rate is not established under 7 AAC 145.050, the department will pay for those services in accordance with the **State Fiscal Year 2026 Fee Schedule for School-Based Services** [*CPT FEE SCHEDULE FOR SCHOOL-BASED SERVICES TABLE AND HCPC FEE SCHEDULE FOR SCHOOL-BASED SERVICES TABLE*], adopted by reference in 7 AAC 160.900.

(b) In this section, "school-based services" has the meaning given **in 7 AAC 115.600(f)** [7 AAC 115.600(h)]. (Eff. 2/1/2010, Register 193; am 3/22/2014, Register 209; am ____/____/_____, Register_____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 160.900(e)(11) is amended to read:

(11) **State Fiscal Year 2027 Fee Schedule for School-Based Services** [*STATE FISCAL YEAR 2019 CPT FEE SCHEDULE FOR SCHOOL-BASED SERVICES, AND STATE FISCAL YEAR 2019 HCPC FEE SCHEDULE FOR SCHOOL-BASED SERVICES*], revised as of **August 28, 2026** [JANUARY 22, 2019];

(Eff. 2/1/2010, Register 193; am 8/25/2010, Register 195; am 12/1/2010, Register 196; am 1/1/2011, Register 196; am 1/15/2011, Register 197; am 2/9/2011, Register 197; am 3/1/2011, Register 197; am 10/1/2011, Register 199; am 12/1/2011, Register 200; am 1/26/2012, Register 201; am 3/8/2012, Register 201; am 4/1/2012, Register 201; add'l am 4/1/2012, Register 201; am 5/11/2012, Register 202; am 10/16/2012, Register 204; am 11/3/2012, Register 204; am 12/1/2012, Register 204; am 12/2/2012, Register 204; am 1/1/2013, Register 204; am 1/16/2013, Register 205; am 7/1/2013, Register 206; add'l am 7/1/2013, Register 206; am 11/3/2013, Register 208; am 1/1/2014, Register 208; am 2/2/2014, Register 209; am 3/19/2014, Register 209; am 3/22/2014, Register 209; am 5/18/2014, Register 210; am 2/26/2015, Register 213; am 3/15/2015, Register 213; am 7/1/2015, Register 214; am 5/1/2016, Register 218; am 6/16/2016, Register 218; am 7/22/2017, Register 223; am 11/5/2017, Register 224; am 3/1/2018, Register 225; am 10/1/2018, Register 227; am 1/1/2019, Register 228; am 3/24/2019, Register 229; am 6/2/2019, Register 230; am 6/13/2019, Register 230; am 7/1/2019, Register 231; am 10/25/2019, Register 232; am 11/10/2019, Register 232; am 4/24/2020, Register 234; am 5/21/2020, Register 234; am 6/25/2020, Register 234; am 10/1/2020, Register 235; am 10/4/2020, Register 236; am 1/1/2021, Register 236; am 3/31/2021, Register 238; am 6/30/2021, Register 238; am 8/27/2021, Register 239; am 9/9/2021, Register 239; am 10/9/2021, Register 240; am 11/1/2021, Register 240; am 5/25/2022, Register 242; am 9/4/2022, Register 243; am 9/18/2022, Register 243; am 10/16/2022, Register 244; am 12/1/2022, Register 244; am 12/23/2022, Register 244; am 3/3/2023, Register 245; am 3/26/2023, Register 245; am 5/1/2023, Register 246; am 5/19/2023, Register 246; am 1/1/2024, Register 248; am 2/1/2024, Register 249; am 2/2/2024, Register 249; add'l am 2/2/2024, Register 249; am 3/1/2024, Register 249; am 11/8/2024, Register 252; am

Register _____, _____ 2026

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1/5/2025, Register 253; am 5/25/2025, Register 254; am 8/9/2025, Register 255; am 11/14/2025,
Register 256; am 7/1/2026, Register 258;

am ____/____/____, Register____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.085

AS 47.05.012 AS 47.07.040