

**KENTUCKY MEDICAID PROGRAM
PUBLIC NOTICE**

February 20, 2026

The Cabinet for Health and Family Services, Department for Medicaid Services (the Department), in accordance with 42 CFR 447.205, hereby provides public notice of changes to its school-based services program administration and reimbursement methodology under the State Plan, with a proposed effective date of July 1, 2026.

This State Plan Amendment (SPA) does not change the scope of covered services but clarifies provider eligibility and improves the accuracy and completeness of cost reporting under the State Plan. These changes align with CMS's 2023 guidance, "Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming."

This amendment makes clear that school counselors are a qualified provider type to support the delivery of covered services in school-based settings. In addition, this SPA revises the cost reporting and cost settlement methodology for school-based service providers to allow for the inclusion of summer months, which ensures that allowable costs incurred throughout the full year, including periods outside the traditional academic calendar, are appropriately captured and reimbursed.

Fiscal Impact:

The Department for Medicaid Services estimates the total fiscal impact will be \$0.00.

Public Comments:

A copy of this notice is available for public review at the Department for Medicaid Services at the address listed below. Comments or inquiries may be emailed within thirty (30) days to:

Division of Healthcare Policy

DMSSPAS@KY.GOV