

**PUBLIC NOTICE  
(Title XIX SPA 26-0002)  
SCHOOL BASED SERVICES**

The Department of Health and Human Services, Division of Health Benefits hereby provides notice of its intent to amend the Medicaid State Plan under Title XIX, Attachment 3.1-A.1 Pages 7d, 7e, 7f, 7f.1, 7f.2, 7f.3, 7f.4, and Attachment 4.19-B, Section 6, Pages 2-6. This state plan change will accomplish the following:

- Expand from only services provided pursuant to an IEP, IHP, BIP or 504 Plan to include “other written plan”; remove IFSP.
- Expand eligible provider types and services, including Research-Based Behavioral Health Treatment (RB-BHT).
- Update payment methodology including changes to the time study methodology and Medicaid ratio calculation and allow NC Medicaid to apply an administrative fee to be subtracted from the final cost settlement for LEAs.
- Add clarifying language and edits to confirm state compliance with audit documentation standards, update NC Medicaid nomenclature and links, and example dates for cost settlement process.

This amendment will become effective July 1, 2026.

The annual estimated state fiscal impact of these changes is:

- a. SFY 2027 \$0.00
- b. SFY 2028 \$0.00

A copy of the proposed amendment may be viewed at the county department of social services. Questions, comments and requests for copies of the proposed State Plan amendment should be directed to the Division of Health Benefits at the address listed below:

Jay Ludlam  
Deputy Secretary  
Division of Health Benefits  
2501 Mail Service Center  
Raleigh, NC 27699-2501  
[medicaidrulescomments@dhhs.nc.gov](mailto:medicaidrulescomments@dhhs.nc.gov)

Posted on the Division of Health Benefits Website: January 13, 2026  
<https://medicaid.ncdhhs.gov/get-involved/nc-health-choice-state-plan>