

# *FAQ School-Based Apple Health (Medicaid) Modernization Update For State Agency Partners and Technical Assistance Organizations*

The Washington State Health Care Authority (HCA) and the Office of the Superintendent of Public Instruction (OSPI) are modernizing school-based Apple Health (Medicaid) services, with implementation beginning in summer 2027.

This modernization will:

- Simplify Medicaid claiming
- Reduce administrative burden for schools and staff
- Expand eligible services and provider types
- Use Random Moment Time Study (RMTS) for all staff instead of individual service billing

These updates align with guidance from the Centers for Medicare & Medicaid Services (CMS), including [\*Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming\*](#).

School Apple Health modernization is designed to:

- Bring more federal funding into Washington schools
- Reduce administrative burden on staff
- Expand access to student health and behavioral health services
- Strengthen the connection between student well-being and academic success

OSPI and HCA are working in close partnership to provide **ongoing support, training, and clear guidance** to districts and partners, ensuring a smooth and successful transition.

## **Questions?**

- **Visit:** [HCA's School-based services webpage](#)
- **Visit:** [OSPI's Washington Apple Health: School-based services webpage](#)



## What should agency partners know about the transition?

Washington is moving away from fee-for-service reimbursement and toward a cost-based reimbursement model that reflects the full cost of delivering school-based health and behavioral health support. This modernization emphasizes:

- Integrated systems
- Care coordination
- Administrative claiming
- Sustainable funding approaches aligned with federal Medicaid guidance

## Why is this important for agency partners?

Agency partners may have existing content that references fee-for-service reimbursement language or structure, such as:

- Documents
- Rules
- Guidance
- Technical assistance materials
- Contracts
- Templates
- Trainings
- Websites

As the state transitions to a modernized cost-based reimbursement approach, partners should begin reviewing and updating these materials to align with the new framework and statewide messaging expectations before 2028. Consistent language and guidance across agencies and organizations will help support successful implementation and reduce confusion for districts, providers, and partners

## What is the expectation for agencies and organizations providing technical assistance?

Organizations that provide Apple Health (Medicaid) related information or communications should begin reviewing and updating materials, terminology, and staff guidance to align with the modernized approach.

## What updates should organizations make?

Agency partners should:

- Review the following for outdated fee-for-service terminology:
  - Training materials
  - Presentations,
  - Contracts,
  - Guidance documents
- Update language to reflect cost-based reimbursement, Certified Public



- Expenditures (CPE), Random Moment Time Study (RMTS), administrative claiming, and integrated service delivery approaches where appropriate
- Ensure staff providing Apple Health related technical assistance or implementation support understand the modernization effort and accurately communicate changes
  - Align messaging across:
    - Programs
    - Partners
    - Subcontractors
    - Provider support teams
  - Identify operational processes, forms, templates, or systems that may need revision to support the transition