Attention Local Educational Agency Providers: Guidance on Occupational Therapy Coverage and Requirements for the School-Based Medicaid Program

Occupational Therapy Updates:

On May 20, 2025, the Louisiana Register published an update to the Administrative Code Title 46, Chapter 49, Subchapter B Standards of Practice, 4909 referral for occupational therapy (OT) practitioners and the coverage of educational occupational therapy services. Subpart F, related to the omission of the referral requirement for OT practitioners employed by a school system, is not applicable to the provision of OT services for the School-Based Medicaid Program (SBMP).

Per CMS requirements:

Medicaid shall provide coverage to eligible recipients for EPSDT services in schools, which are medically necessary, that correct or ameliorate a child's health condition. Medically necessary EPSDT services are provided by or through local education agencies (LEA) to Louisiana public school children who have, or are suspected of having, disabilities.

Services provided in a school setting will only be reimbursed for recipients who have been determined eligible for Title XIX and the Individuals with Disabilities Education Act (IDEA), Part B services with a written service plan which contains medically necessary services recommended by a physician or other licensed practitioner, within the scope of his or her practice under state law.

Service Exclusions:

1. *These services are not covered if they are performed for educational purposes (e.g. academic testing) or – as the result of the assessment and evaluation – it is determined the service is not reflected in a service plan or not determined to be medically necessary.*

2. *Medicaid does not reimburse for social or educational needs.*

Be advised:

School-based occupational therapy is focused on the student's educational performance, while medical occupational therapy focuses on the student's overall health and functional abilities. Louisiana does not reimburse for services deemed educationally necessary.