Covered Services

Community-Based Therapies and School-Based Services

In addition to covering school-based services, Wisconsin Medicaid reimburses community-based therapists separately for Medicaid services not provided under the SBS benefit that are not in the recipient’s IEP.

To determine medical necessity, Wisconsin Medicaid requires community-based therapy providers to obtain prior authorization (PA) for services that could also be reimbursed under the SBS benefit. The medical necessity of school-based services is reviewed in the IEP process, whereas medical necessity is reviewed in the PA process for community therapists.

When adjudicating PA requests for community-based therapies, Wisconsin Medicaid considers the medical necessity of services and other criteria including, but not limited to, whether the service is appropriate, cost-effective, and non-duplicative of other services. As part of the PA process, community therapists submit the child’s IEP with their request to provide services. Medicaid consultants review the IEP in addition to all other required material and records to determine if the child is already receiving services that meet the child’s therapy needs. The IEP is not the only material considered when determining medical necessity.

Wisconsin Medicaid’s professional consultants do not base approval or denial of PA requests on whether the school pursues reimbursement through the SBS benefit. The consultants do not review the SBS claims information. Therefore, whether an SBS provider seeks reimbursement for school-based services does not influence whether a community therapy PA request is approved or denied.

Refer to the Wisconsin Medicaid School-Based Services Fact Sheet in Appendix 8 of this handbook, which may be used to inform parents about the relationship between community therapies and school-based services.