

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 SENATE BILL 1017

By: Deevers

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5  
6 AS INTRODUCED

7 An Act relating to the state Medicaid program;  
8 defining terms; allowing coverage of educationally  
9 necessary school-based services; prohibiting certain  
10 acts by the Oklahoma Health Care Authority; stating  
11 requirements for school-based services; providing for  
12 codification; providing an effective date; and  
13 declaring an emergency.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 5028.2 of Title 63, unless there  
17 is created a duplication in numbering, reads as follows:

18 As used in this section:

19 1. "Individualized education program" or "IEP" means, in  
20 accordance with the Individuals with Disabilities Education Act, a  
21 specially designed instruction for the individual child to access  
22 classroom instruction and activities to receive a free and  
23 appropriate public education (FAPE) in the least restrictive  
24 environment for the individual child. The IEP shall contain goals  
with short term objectives, and each shall have objective means of

1 measuring. As provided by the Individuals with Disabilities  
2 Education Act:

- 3 a. any related service identified as therapy such as  
4 physical therapy, occupational therapy, speech  
5 language therapy, behavioral therapy, and  
6 psychological therapy is considered medical and  
7 therefore shall not be written into the IEP,
- 8 b. medically necessary related services, accommodations,  
9 modifications, and assistive technology shall be  
10 attached to the IEP, and
- 11 c. only medically necessary related services that are  
12 educationally necessary for the child to access  
13 classroom instruction to make sure the child receives  
14 a Free and Appropriate Public Education (FAPE) may be  
15 written into the IEP.

16 Related services, medical, assistive technology, modifications,  
17 and accommodations shall be attached to the child's Individualized  
18 Educational Plan, not written in the IEP;

19 2. "School-based services" means specially designed instruction  
20 and services that are educationally necessary for the eligible  
21 student to receive a free and appropriate public education. This  
22 excludes medically necessary services that are not included within  
23 the definition of "educationally necessary" under the Individuals  
24 with Disabilities Education Act, such as non-educational health-

1 related and rehabilitative services including, but not limited to,  
2 health examinations, immunizations, flu vaccines, eye examinations,  
3 speech and language therapy, physical therapy, occupational therapy,  
4 social work services, and psychological and counseling services.

5 These services are not the responsibility of the Oklahoma K-12  
6 public schools and shall be the responsibility of the parents or  
7 guardians to provide for their children off campus and after school  
8 hours.

9 B. The state Medicaid program may cover educationally-necessary  
10 school-based services in accordance with this section. The Oklahoma  
11 Health Care Authority shall not:

12 1. Define school-based services more broadly than defined under  
13 this section or the Individuals with Disabilities Education Act; or

14 2. Cover school-based health care that is not educationally  
15 necessary under this section or the Individuals with Disabilities  
16 Education Act.

17 C. School-based services may be provided only by a qualified  
18 school provider to a student under twenty-one (21) years of age  
19 pursuant to an individualized education program (IEP), in accordance  
20 with the Individuals with Disabilities Education Act. Payment may  
21 be made only to qualified school providers for delivery of school-  
22 based services, provided that such services are educationally  
23 necessary to receive a free and appropriate public education, and  
24 sufficiently supported by appropriate documentation.

1 SECTION 2. This act shall become effective July 1, 2025.

2 SECTION 3. It being immediately necessary for the preservation  
3 of the public peace, health or safety, an emergency is hereby  
4 declared to exist, by reason whereof this act shall take effect and  
5 be in full force from and after its passage and approval.  
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