

JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON MEDICAID

NC Department of Health and Human Services

Update on Autism Benefits

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What is Research Based – Behavioral Health Therapy (RB-BHT)?

- Suite of evidence-based interventions that prevents or minimizes the behavioral challenges associated with Autism Spectrum Disorder (ASD) and promotes adaptive functioning
- Services primarily delivered to children age six and under
- Includes an array of different services and techniques that should be tailored to an individual's needs, goals, and abilities
- Provided by Board Certified Behavioral Analysts who supervise Behavioral Technicians/Registered Behavioral
- Requires a referral from a licensed physician or licensed doctorate-level psychologist

The primary treatment modality utilized in NC Medicaid's RB-BHT benefit suite is called Applied Behavioral Analysis (ABA).

National Growth in ABA

- Medicaid agencies across the country are seeing exponential trends in ABA utilization and spending
- Nationally, Medicaid spending on ABA grew almost 300% between 2019 and 2024, although growth varied by state

Massachusetts: 75% increase in spending (2019 to 2023)

North Carolina: 347% increase in spending (2022-2025)

Indiana: 607% increase in spending (2017 to 2020)

Nebraska: 2,000% increase in spending (2020 to 2025)

- Utilization growth far outpaces increases in Autism Spectrum Disorder (ASD) diagnosis
- Unlikely that this level of growth can be explained by increased access alone
- Recent federal OIG audits have focused on this service
 - These audits raised questions about the quality of services received including individualization of treatment plans, appropriate intensity and duration, and integrity of services

Trends and Drivers of ABA Growth in North Carolina

- **Between SFY2022 and SFY2025**
 - The number of NC Medicaid beneficiaries receiving ABA has increased 249%
 - The number of ABA units of service increased by 305%
 - Spending on ABA grew by 347%
 - Anticipated growth in spend of 593% by SFY26
- **Spending growth is concentrated among a small number of providers and far outpaces growth in new provider enrollment**
- **Potential drivers of increased utilization and spending:**
 - ABA is being utilized when less intensive evidence-based supports may be appropriate (service mix)
 - Clinical Coverage Policy lacks specificity regarding expectations of individualized treatment planning
 - Clinical Coverage Policy/Billing Guide for ABA billing lacks clarity
 - Significant number of new providers have entered the NC market

Number of People Receiving Services

Total NC Medicaid Members receiving services grew from 3,844 in SFY2022 to 13,447 in SFY2025. Youth age 1-6 are the primary recipients

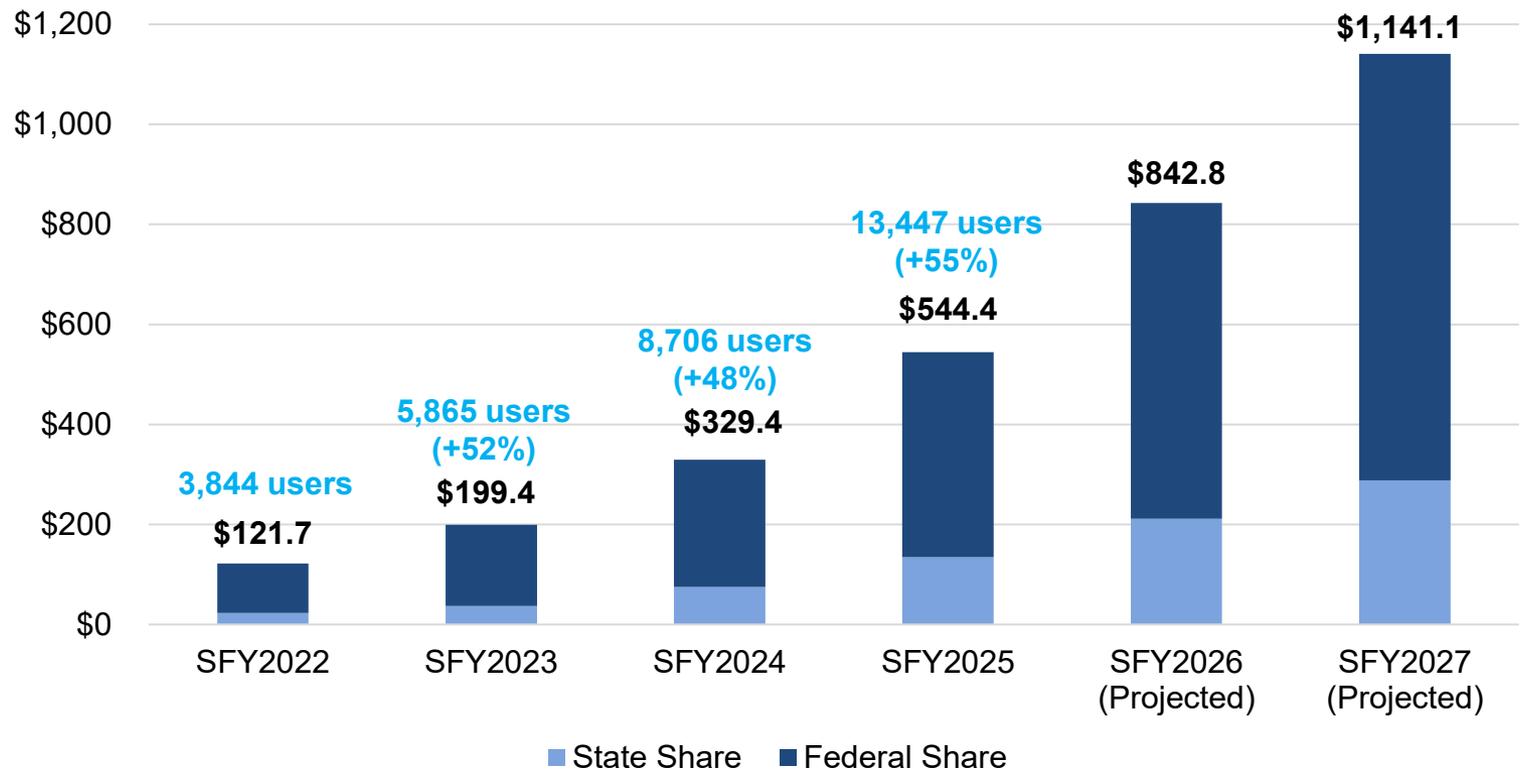
SFY2025 RB-BHT Spending Concentrated in Youth Age 1-6		
Age	Total RB-BHT Spend	Proportion of RB-BHT Spend
1-6	\$383,517,849	70.4%
7-10	\$106,215,994	19.5%
11-18	\$47,043,265	8.6%
19-64	\$7,628,818	1.5%

NC Medicaid has also experienced an increase in RB-BHT hours

Estimated RB-BHT Hours Per Month		
SFY	Mean Hours Per Month	Median Hours Per Month
SFY2022	47.5	41.3
SFY2023	50.0	43.1
SFY2024	54.1	48.0

RB-BHT Expenditures are Increasing

Total RB-BHT Medical Spending, SFY 2022-2027 (in millions)



*State and federal spend numbers are approximations

How Other States are Ensuring Quality & Sustainable Services

Utilization Management

- Instituting prior authorizations
- Additional authorizations when specified thresholds are met
- Caps on the number of authorized hours in a day/week
- Tightening documentation requirements, including complete treatment plans, identification of desired outcomes at the outset of treatment, and scope of treatment (focused or comprehensive)
- Use of assessment results to guide treatment planning

Rate Reductions

- Some states have implemented or are considering rate reductions for services experiencing particularly sharp utilization increases

Other Actions

- Requiring parent participation in treatment planning and sessions
- Clarify when and which specific services may be delivered via telehealth and telephonically

Evaluating North Carolina Options

- **NC DHHS conducted analyses of spending and utilization, gathered feedback, and released a policy paper in October 2025 outlining spending drivers and potential options that ensure quality & sustainable ABA services**

NC DHHS remains strongly committed to ensuring that people with Autism Spectrum Disorder (ASD) have access to appropriate, high-quality services.

- **Policy actions to consider may include (but are not limited to):**
 - Ensure all treatment plans are individualized and require caregiver goals to be incorporated into treatment plans
 - Require Registered Behavioral Technician (RBT) certification
 - Require minimum levels of case supervision of BT/RBT by BCBA
 - Ensure appropriate utilization of telehealth in ABA
 - Standardize utilization management processes across delivery systems
 - Collaborate with health plans and NC DOJ to strengthen program integrity and documentation standards
 - Require whole-person care planning and provide linkages to the full continuum of ASD treatment

Feedback on Proposed Policy Options

- **NC DHHS received 165 written comments on its policy paper, and has closely reviewed and considered all comments**
- **Commentors emphasized any final changes should not prevent children/youth from accessing medically necessary, and individualized care, which aligns with NCDHHS goals**
- **In implementing changes, NC DHHS will prioritize:**
 - Preserving access to medically necessary services while improving quality
 - Ensuring that rural regions are not harmed by changes to telehealth
 - Transparency and communication with the community and impacted stakeholders
 - Minimizing administrative burden for families or providers, while also increasing oversight and standardization