CareSource

MEDICAL POLICY STATEMENT
Indiana Medicaid

Policy Name & Number	Date Effective
Applied Behavior Analysis for Autism Spectrum Disorder-IN MCD-MM-1869	01/01/2027
Policy Type	
MEDICAL	

Medical Policy Statements are developed from a review of the available evidence-based, clinical information based on and supported by clinical guidelines from medical specialties, peer-reviewed medical and scientific studies, nationally recognized utilization and technology assessment guidelines, and other medical management industry standards to aid in determining the medical necessity of a service. Medically necessary services are defined in the plan-specific Evidence of Coverage, Member Handbooks, Provider Manuals, Medical Policy Statements, and/or other plan policies and procedures.

Medical Policy Statements do not guarantee an authorization or payment of services. Please refer to the plan contract (e.g., Evidence of Coverage, Member Handbook) for the service(s) referenced in the Medical Policy Statement. Except as otherwise required by law, if there is a conflict between the Medical Policy Statement and the plan contract and/or provider agreement, then the plan contract and/or provider agreement will be the controlling document. Reasonable discretion may be used in interpreting and applying this Policy Statement to services provided in a particular case, and the policy may be modified at any time. Medical Policy Statements may be superseded by federal and state laws and regulations, as applicable. In the case of a discrepancy between the Policy Statement's effective date and any applicable legal or regulatory requirement, the law or regulation will govern.

Coverage for mental health and substance use disorder (MH/SUD) benefits are provided at the same level as coverage for medical and surgical (M/S) benefits, as required by the Mental Health Parity and Addiction Equity Act (MHPAEA). MH/SUD benefits are not subject to limits or requirements that are more restrictive than those that apply to M/S benefits.

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A. Subject

Applied Behavior Analysis for Autism Spectrum Disorder

B. Background

The Diagnostic and Statistical Manual of Mental Disorders, 5th Edition, Text Revised (DSM-5-TR) classifies Autism Spectrum Disorder (ASD) as a neurodevelopmental disorder with varied severity and symptoms affecting socialization, communication, academic and personal functioning, typically diagnosed before school age. Symptoms are noticed across multiple contexts (eg, social reciprocity, nonverbal communicative behaviors, skills in developing, maintaining and understanding relationships), and restricted, repetitive patterns of behavior, interests or activities are often present.

There is no cure or single treatment, but management involves therapies (eg, behavioral, cognitive, pharmacologic, educational) to minimize symptom severity and improve quality of life. Applied behavior analysis (ABA) is an evidence-based, individualized therapy focused on learning and behavior change delivered by qualified practitioners in-person or via telehealth based on member needs.

CareSource follows state law and guidelines in the provision of ABA services based on a DSM diagnosis. Severity levels are divided into 2 domains and are defined as follows:

Severity Levels for Autism Spectrum Disorder		
Severity Level	Social Communication	Restricted, repetitive behaviors
Level 3 – "Requiring very substantial support"	Severe deficits in verbal & nonverbal social communication skills cause severe impairments in functioning, very limited initiation of social interactions, and minimal response to social overtures from others.	Inflexibility of behavior, extreme difficulty coping with change, or other restricted/ repetitive behaviors markedly interfere with functioning in all spheres. Great distress/difficulty changing focus or action.
Level 2 – "Requiring substantial support"	Marked deficits in verbal and nonverbal social communication skills, social impairments apparent even with supports in place, limited initiation of social interactions, and reduced or abnormal responses to social overtures from others.	Inflexibility of behavior, difficulty coping with change, or other restricted/ repetitive behaviors appear frequently enough to be obvious to the casual observer and interfere with functioning in a variety of contexts. Distress and/or difficulty changing focus or action.
Level 1 – "Requiring support"	Without supports in place, deficits in social communication cause noticeable impairments. Difficulty initiating social interactions and clear examples of atypical or unsuccessful responses to social overtures of others. May appear to have decreased interest in social interactions.	Inflexibility of behavior causes significant interference with functioning in one or more contexts. Difficulty switching between activities. Problems of organization and planning hamper independence.

Social skills training through group therapy and cognitive behavioral interventions has demonstrated short-term improvements in social competence and school readiness.

Effective programs have clear goals, reinforcement, and promote generalization outside therapy.

Once school-age, the public school system provides ASD services via an Individualized Education Program (IEP) governed by the Individuals with Disabilities Education Act (IDEA) and subsequent amendments, ensuring support within the educational setting. ASD services do not include education services otherwise available via IDEA.

CareSource follows the Office of Medicaid Policy and Planning (OMPP) Indiana Health Coverage Programs (IHCP) *Behavioral Health Services Mental Health and Addiction Treatment Provider Reference Module (BHSPRM)* at *https://www.in.gov/medicaid/providers/files/modules/behavioral-health-services.pdf* and/or other published bulletins in the provision of services to Indiana members. Provider materials listed in this policy might not be all-inclusive and are provided as a courtesy only.

C. Definitions

- **ASD Levels** – Based on the DSM and describe the degree of support an individual might need in daily life.
  - **Level 1** – Requiring the least amount of support but with noticeable deficits in social communication, initiating social interactions and problems with organization and planning. Restricted and repetitive behaviors can be managed with support.
  - **Level 2** – Requiring substantial support with marked deficits in verbal and nonverbal communication, pronounced social impairments and obvious restricted repetitive behaviors.
  - **Level 3** – Requiring very substantial support with severe deficits in verbal and nonverbal communication, very limited social interactions, minimal response to others, and markedly interfering restricted and repetitive behaviors.
- **Substantive Progress** – Progress is individualized and specific to a member's unique clinical picture. Documentation clearly identifies data tables and graphs that show progress of behaviors and skills targeted for improvement under the treatment plan with data compared against baselines established at initiation of ABA or an explanation of rebaselining provided. Progress is compared to benchmarks of normally developing peers using established instruments to demonstrate progress in relation to initial assessments with a narrative discussion and statement of justification for continuation of care at the intensity level requested.

D. Policy

I. General Guidelines

A. Medical necessity review is required for all ABA services initially with a baseline and then every 6 months. Appropriate documentation must be submitted as indicated in this policy and align with the State’s definition of medical necessity that includes treatment not more costly than alternative services or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results.

B. ABA may be covered from the time of initial diagnosis through the age of 20. Treatment goals and intensity will be based on individual needs and progress in treatment with a focus on remediation of symptoms.
   1. ABA will be covered exclusively through Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services (42 CFR § 441.50).
   2. For dates of service (DOS) on or after October 1, 2026, ABA will not be authorized or reimbursed for members 21 and older.

II. Initial Medical Necessity Review for ABA
CareSource utilizes MCG Health and State criteria to review medical necessity. State requirements for member eligibility for ABA are clarified in IHCP and the *Applied Behavior Analysis* section of the *BHSPRM* at www.in.gov. ABA is medically necessary if **ALL** the following criteria are met:

A. Member eligibility requirements are met according to the *BHSPRM, Member Eligibility Requirements for ABA Therapy* section and BT2024194 *(*ie, diagnosis, appropriate provider, referral/statement of need*).*
B. A comprehensive diagnostic evaluation (CDE) is completed according to the *BHSPRM* and BT2024194 and submitted to CareSource. The CDE is necessary to confirm a diagnosis of Autism Spectrum Disorder. As instructed by BT202562, BT202519, and BT2026160, if the CDE is more than 1 year old, an updated statement of need and/or referral must be submitted from an appropriate referring practitioner. BT2026160 provides guidance on appropriate providers, when referrals/statements are needed, and contents.
   NOTE: Symptoms reported should be specific to the member and not a repetition of DSM criteria or language (eg, stereotyped or repetitive motor movements vs. lining up toy cars by size or hypo-reactivity to sensory input vs. frequently and consistently scalds hands with use of water that is too hot).
C. A parent/guardian and analyst-signed comprehensive behavior assessment (CBA) is completed according to the *BHSPRM,* BT2024194, BT2026123, and BT2026162 prior to the initiation of ABA services and submitted to CareSource, including the complete scoring report, any outcome measure scores, and graphs.
   1. If a CBA has been completed within 6 months, any new provider is expected to obtain the CBA from the original provider.
   2. If an individual changes providers within 6 months and the new provider is unable to receive the CBA, the new provider can complete a CBA if **1** of the following occurs:
      a. The new provider attempts to obtain the previous CBA and documents the attempts in the member's official record.
      b. Other conditions exist, such as an uncooperative parent.
      c. No previous assessment was performed due to out-of-state or out-of-country prior residency.
   3. BT2026162 has additional State instructions regarding behavior assessments when a behavior intervention plan is present.
D. A parent/guardian and analyst-signed treatment plan completed according to the *BHSPRM,* BT2024194 and BT2026123 is submitted and includes the following:

1. number of hours per week requested with justification and supporting documentation for the specific number of hours based on member needs, including the ASD level applicable to the member (1-3)
2. a clear schedule of services planned and documentation that all identified interventions are consistent with ABA techniques
3. documentation of how parents/guardians will participate, as well as plans for parent/guardian training and school transition, including
   a. any applicable 504/IEP information
   b. documentation of parent/guardian training with proposed targets, goals, objectives, training procedures, date of introduction and estimated date(s) of mastery (See D.IV. below.)
   c. care coordination with parents/caregivers, as applicable
   d. session notes with date, time, location, duration of services, and identification of participants (eg, parents, guardians, caregivers)
      NOTE: Alternatively, an explanation should be included in the session notes if the parent/guardian is not present during service delivery.

E. All documentation supporting the number of therapy hours requested.

III. Continuation of ABA

Additional information regarding continuation can be found in the *BHSPRM*, *Requirements for Continuation of ABA Therapy* section. If services stopped or were terminated for any reason for a temporary length of time (eg, cancelled over summer break after school year ends, vacation or visitation with a noncustodial parent, a change in school hours), additional authorizations should be submitted as continuations. CareSource will not process those requests as initial requests. All documents necessary for continuations are subject to the same IHCP rules as initial submissions. See appropriate IHCP documents for instructions on completion. Medical necessity reviews are completed every 6 months for continuation of services when documentation of **ALL** the following is submitted:

A. Symptoms meet criteria for autism, and the member can benefit from treatment.
B. The following documents are submitted to CareSource:
   1. an updated, individualized treatment plan as specified by IHCP and outlined in the *BHSPRM*
   2. completed reassessment (ie, updated behavior assessment)
   3. updated 3 standardized behavior instruments
C. ABA services are being provided by an appropriately eligible provider.

IV. Parent/Caregiver Training

As outlined in BT202627, the IHCP requires that caregiver coaching and training be included in all ABA PA requests. BT202662 and BT2026136 provide additional guidance.

V. Telehealth

The IHCP provides guidance for services provided via telehealth in the *BHSPRM* and *Telehealth and Virtual Services Provider Reference Module*. 97155 and 97156

are the only 2 ABA services allowable as telehealth and are subject to the following additional requirements when rendered via telehealth:

A. Credentialed RBTs may not deliver any ABA service via telehealth. Only a health service provider in psychology (HSPP) or a BCBA are eligible when supervising the delivery of ABA services remotely.
B. All ABA services must include synchronous audiovisual interaction. No ABA services are reimbursable when delivered via audio-only telehealth.
C. 97155 is reimbursable via telehealth only when an HSPP or BCBA is providing guidance/supervision to an RBT remotely, and the RBT is rendering adaptive behavioral treatment in person to the member.

VI. Discharge will occur when the member meets criteria outlined in the *BHSPRM, ABA Therapy Discharge Criteria* section and BT2024194.

VII. The following services are considered not medically necessary and are not considered covered:

A. any service considered not medically necessary, not documented in the treatment plan, out of the scope of practice of ABA, or services considered experimental, unproven or investigational in nature
B. duplicative or other services already covered (ie, speech, occupational, physical therapy, services rendered under an IEP)
C. concurrent or overlapping services
   Example: CareSource receives a claim for the same member on the same date of service from an RBT for ABA therapy from 10:00 a.m. to 11:30 a.m. and speech therapy with a speech therapist from 10:15 a.m. to 11:15 a.m. This is considered overlapping billing and is not allowed. If the services were delivered concurrently and were not overlapping, RBT 10:00 a.m. to 11:30 a.m. and speech therapy from 11:45 a.m. to 12:45 p.m., the services would be billable. Services must be distinct in time, scope and provider.
D. education-related services or activities described under IDEA
E. vocational services or those available under the Rehabilitation Act of 1973
F. treatment solely for the benefit of the family, caregiver or provider or for symptoms and/or behaviors not part of core symptoms of ASD
G. treatment worsening symptoms, prompting member regression or unexpected to cause improvement
H. any procedure or physical crisis management technique that involves the use of seclusion or manual, mechanical, or chemical restraint to control behaviors
I. services for the delivery of individual supervision, personal care assistance, companion activities, chaperoning, or shadowing regardless of activity or setting, including those reimbursed through a different Indiana Medicaid service benefit or payer or provided by individuals without professional skills or training (eg, family members)
J. programs or services performed in nonconventional settings, even if performed by a licensed provider

K. breaks in service delivery for rest, lunch and recess along with the developmental level of members' needs, including napping, unless in accordance with BT2026159 and documented appropriately
L. caregiver, childcare services or components of adult day care programs
M. psychological testing, neuropsychology, psychotherapy, cognitive therapy, sex therapy, psychoanalysis, hypnotherapy, or long-term counseling
N. services not listed on the fee schedule
O. services provided simultaneously by more than 1 ABA provider, unless determined to be medically necessary, prior authorized and indicated in the approved behavior plan
P. services provided by a healthcare provider located in-state when an individual receiving ABA services is out of state
Note: See the *Out-of-State Providers Reference Module* for more information.
Q. travel time

E. Conditions of Coverage

I. Compliance with the provisions in this policy may be monitored and addressed through post payment data analysis, subsequent medical review audits, recovery of overpayments identified, and provider prepayment review. Program Integrity will be engaged for an annual review of data.
A. CareSource follows provider accreditation requirements provided by the IHCP in BT2026118.
B. The IHCP provides guidance regarding eligible providers, required modifiers, and enrollment specialties in the *Behavioral Health Service Codes, Provider Code Tables* document and the following bulletins (may not be all-inclusive): BT202539, BT2024194, BT202558, BT202596 and BT202627.
C. All ABA service claims must be billed with the rendering provider National Provider Identifier (NPI) matching the procedure code modifier indicating the level of the ABA therapy provider that rendered the service. Additional guidance, including provider enrollment guidance, is located in BT2024194.
D. Information on lifetime service allocations and utilization for comprehensive and targeted ABA services can be found in BT202627. Providers will expected to check the units utilized in the IHCP Portal prior to submitting a PA request to ensure a member has not met the lifetime allocation.

II. CareSource reserves the right to request documentation, particularly related to telehealth services or supervision. BT2024194 outlines that providers must produce documentation within 72 hours of the request. Additionally, BT202640 and the *BHSPRM* contain further documentation requirements.

III. Effective April 1, 2026, CareSource will require inclusion of caregiver coaching in all ABA therapy authorization requests, allowing up to 18 hours over a standard 6 month authorization period or a proportionally reduced, medically necessary amount when the PA duration or total treatment hours are lower. Special consideration will be given for members whose caregiving circumstances differ from a traditional family setting, including youth in Department of Child Services (DCS) custody or foster

care. IHCP *BT2026136* provides additional details regarding minimum caregiver coaching.

IV. CareSource will require a minimum of one hour of supervision by a BCBA or other IHCP-approved qualifying supervising clinician for every eight hours of technician-delivered ABA therapy services. See additional guidance in BT202627 and BT202662.

F. Related Policies/Rules

IHCP Bulletins

1. BT202401 – *IHCP Clarifies Prior Authorization Requirements for ABA Therapy Services*; January 4, 2024.
2. BT202519 – *IHCP Publishes Formal FAQ for ABA Therapy Requirements*; February 6, 2025.
3. BT202539 – *IHCP Delays Enforcement of ABA Rendering Provider Requirement to July 1, 2025*; March 13, 2025.
4. BT202543 – *IHCP Clarifies Billing Requirements for ABA Claims with Primary Payers*; March 27, 2025.
5. BT202558 – *ABA Provider Enrollment Requirements Due Soon; Submit Enrollment Applications;* May 8, 2025.
6. BT202562 – *IHCP Issues Updated Guidance for FFS and Managed Care ABA Therapy Prior Authorizations*; May 15, 2025.
7. BT202596 – *IHCP Reminds ABA Providers about Out-Of-Network Claim Processing for Managed Care Claims*; June 26, 2025.
8. BT202627 – *IHCP Announces Changes to Applied Behavior Analysis (ABA) Therapy Services;* February 26, 2026.
9. BT202632 – *IHCP Seek ABA Provider Input on Network Adequacy*; March 10, 2026.
10. BT202640 – *IHCP Reminds Providers About 97155 and 97156 Documentation Requirements*; March 19, 2026.
11. BT202646 – *IHCP to Require ABA Agencies to be Accredited*; March 26, 2026.
12. BT202660 – *IHCP Clarifies ABA Accreditation Requirement*; April 28, 2026.
13. BT202662 – *IHCP Issues Additional ABA Guidance for Providers*; May 15, 2025.
14. BT202667 – *IHCP Seeks Approval for an ABA Provider Enrollment Moratorium*; May 7, 2026.
15. BT202692 – *IHCP Receives Approval for an ABA Provider Enrollment Moratorium*; June 4, 2026.
16. BT2024194 – *IHCP Clarifies ABA Documentation Requirements and Updates Provider Enrollment Requirements;* November 29, 2024.
17. BT2026118 – *IHCP Reminds ABA Agencies of Accreditation Requirement*; July 14, 2025.
18. BT2026123 – *IHCP Is Reinforcing Documentation and Behavior Assessment for ABA Therapy Treatment Plans*; July 23, 2026.
19. BT2026136 – *Minimum Caregiver Coaching and Training Requirements for ABA Therapy Clarified*; August 18, 2026.
20. BT2026159 – *IHCP Announces Policy for Sleeping and Naps During ABA Therapy;* September 29, 2026.

21. BT2026160 – *IHCP Clarifies ABA Therapy Requirements Related to Statement of Need and Referrals;* September 29, 2026.
22. BT2026162 – *IHCP Requires Functional Behavior Assessments for ABA Therapy and Behavior Intervention Plan*; September 29, 2026.

Provider Reference Modules

1. *Behavioral Health Service Codes. Provider Code Tables;* Updated April 1, 2026.
2. *Behavioral Health Services Mental Health and Addiction Treatment Provider Reference Module*; Updated September 2026.
3. *Out of State Providers Reference Module*; Published May 26, 2026.
4. *Telehealth and Virtual Services Provider Reference Module*; Published 2024.

G. Review/Revision History

	DATE	ACTION
Date Issued	10/07/2026	New policy. Approved at Committee.
Date Revised		
Date Effective	01/01/2027	
Date Archived		

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