

Applied Behavior Analysis (ABA) Changes

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Medicaid ABA Changes – Effective January 1, 2026

- DVHA implemented two changes to Medicaid reimbursement of ABA services:
 1. Alignment with national billing (correct coding) requirements.
 2. Alignment with clinical best practice standards.
- These changes respond to increased federal oversight expectations while ensuring high-quality, clinically appropriate care for Vermont's Medicaid members.
- DVHA recognizes concerns from providers and parents about potential impacts on access to ABA services.
- To address access concerns, DVHA is conducting an ABA rate study to determine whether current payment rates support adequate statewide access.
- These policy changes aim to protect Vermont from significant retrospective financial penalties; if access issues arise, adjusting reimbursement rates—not reversing these safeguards—is the appropriate solution.

The Federal Landscape

- Medicaid fraud, waste, and abuse are top enforcement priorities for the current federal administration, putting every state Medicaid program under heightened scrutiny.
- The federal Office of Inspector General (OIG) at the U.S. Department of Health and Human Services has specifically targeted Medicaid ABA services for review.
- DVHA's review of Vermont's ABA program identified significant vulnerabilities, including the absence of a written policy on concurrent billing.
- In Wisconsin, the OIG identified more than \$18.5 million in Medicaid ABA overpayments tied to concurrent billing of codes 97155 and 97153 in the absence of a clear policy.
- To protect Vermont from similar findings and potential multimillion-dollar liabilities for the state and providers, DVHA must clearly define its ABA concurrent billing policy and ensure alignment with correct coding and federal expectations.

Changes to With Align Correct Coding

- DVHA reviewed billing practices for ABA CPT codes 97153 and 97155 and found that billing both codes at the same time for the same child does not meet national American Medical Association (AMA) coding standards.
- 2023 AMA CPT guidance clarifies that Medicaid can only reimburse for the child's face-to-face time receiving services, and that two clinicians cannot bill for the same time period with one child.
- Due to the increased scrutiny from the OIG, identified program vulnerabilities, and updated AMA CPT information released in 2023, DVHA was obligated to clarify its policy and prohibit payment for concurrent billing.

Example: A child is receiving ABA therapy for one hour. During that hour, a behavior technician works directly with the child while a supervising clinician observes or guides. Under national billing rules, only one provider can bill for that hour because there is only one child and one hour of face-to-face care. Billing two separate codes for the same hour means billing twice for the same time, which is prohibited.

Changes to Align with Clinical Best Practice

- DVHA reviewed national research, examined coding guidelines, and consulted extensively with licensed ABA providers on the use of telehealth.
- Findings show telehealth can work for some children with established skills, but in-person care is more effective and appropriate for many neurodivergent children.
- Vermont adopted a hybrid model, allowing three ABA services to be delivered via telehealth; other services must be provided in person.
- **Why Certain Codes Were Removed from Telehealth**
 - Ensure **initial assessments** are done in person for accurate evaluation.
 - Ensure **proper supervision** of behavior technicians.
 - Return COVID-era telehealth flexibilities to **clinically appropriate in-person care** (e.g., intensive 3:1 services for children with severe behaviors).
 - Maintain **high-quality care** for members.
 - Reduce **fraud, waste, and abuse**.

Projected Policy Impact

- Vermont Medicaid ABA Programs served 320 unique members in Vermont in 2025.
- Providers will, on average, see a 12% decrease in hours eligible to be counted in tier payments due to the elimination of concurrent billing.
- 0.8% of VT Medicaid ABA hours (telehealth and in-person) will be restricted by limiting telehealth to the following ABA CPT codes: 97155, 97156, and 97157.
 - 78% of telehealth currently in use will continue to be allowed.
 - MANY providers will not see any change to their telehealth practices (**only six of twenty providers will see any impact to telehealth claims**).

Monitoring Impacts in January and Beyond

- DVHA will closely monitor services and participating providers to ensure Medicaid members continue to have access to medically necessary care.
- In accordance with Act 14, DVHA will conduct a rate study before July 2026 to evaluate Medicaid payment rates for ABA services.
 - If access issues arise, rates are the appropriate remedy.
 - This rate study will include extensive provider engagement.