



## SOLUTIONS

# Investing in Autism Therapy: Key Trends Shaping the U.S. ABA Therapy Sector

Applied behavior analysis (ABA) therapy remains the gold-standard intervention for children with autism spectrum disorder, and the market continues to present compelling opportunities for investors. However, success in this space increasingly depends on navigating a dynamic set of workforce, reimbursement and operational challenges. L.E.K. Consulting has supported numerous transactions and growth strategies across ABA therapy and the broader behavioral health landscape and brings a sharp, current perspective to this evolving sector.

## Market snapshot

- **Strong growth fundamentals:** The U.S. ABA therapy market is estimated in the \$25 billion to \$35 billion-plus range, growing at 10%-13% annually, driven by rising autism prevalence, expanded insurance coverage and greater provider capacity.
- **Underpenetrated demand:** Waitlists remain common, especially in underserved geographies, due to ongoing constraints in the provider workforce — indicating substantial white space still to be captured.

## Key themes for investors

- **Make-or-break labor dynamics:** The field faces persistent shortages of Board Certified Behavior Analysts (BCBAs) and sometimes 100%-plus annual turnover among frontline Registered Behavior Technicians (RBTs). Platforms that build effective recruiting pipelines, career development programs and compensation structures are better positioned to scale sustainably.

- **Care setting shifts:** While home-based ABA therapy remains the largest delivery setting, center-based programs are the fastest growing because they provide tighter clinical oversight, reduced travel downtime, easier capacity scaling and higher margins. Hybrid (center plus home) models and school-based programs are gaining traction as well. Parents value the socialization and structured therapy a center offers, but they also need support with ensuring their child can apply those same skills in the home environment. Meanwhile, school districts are turning to outside ABA therapy providers to address special education staffing gaps.
- **Evolving payer landscape:** All 50 states now support ABA therapy via commercial mandates and/or Medicaid waivers. Commercial rates typically exceed Medicaid by 15%-25%, making payer mix a key margin lever. However, payers are increasingly implementing utilization management protocols, especially in high-growth states.
- **Technology as an enabler:** Leading providers are investing in integrated electronic medical records, revenue cycle tools and analytics platforms that support scheduling, billing and outcomes tracking. Notably, some innovative operators are going further — the Center for Social Dynamics, for example, is leveraging virtual reality (VR) technology to help children safely rehearse challenging real-world scenarios such as airport security or street crossing. This not only enhances care delivery but also supports clinician productivity by optimizing deployment models and improving session structure.
- **Active M&A market:** Despite recent volatility, deal activity has resumed with robust sponsor interest in scaled, multidisciplinary and tech-enabled platforms. Successful acquirers are focusing on integration, workforce sustainability and operational differentiation.

### What differentiates high-performing platforms?

Our experience across a broad set of transactions highlights five traits that separate durable platforms from those that struggle:

1. **Labor stability:** The best operators invest heavily in recruiting and retaining talent — offering salaried RBT roles, structured BCBA supervision and internal career pathways. Weak platforms rely on low-wage hourly labor and churn through their clinical workforce.
2. **Operational leverage:** Scaled providers maximize BCBA productivity through smart scheduling, high-quality supervision models and lean administrative infrastructure. Strong platforms also invest in effective clinical teaming and thoughtful BCBA caseload management to balance productivity with care quality and staff sustainability. Underperformers tend to be bloated operationally or constrained by inefficient and unsustainable care delivery models.

- 3. Payer alignment:** Strong players build diversified payer mixes with favorable commercial rates and tight authorization management. Poor performers often lean heavily on out-of-network or low-rate Medicaid contracts, exposing themselves to audit or margin risk.
- 4. Tech and data infrastructure:** Top performers use integrated tech stacks and, increasingly, advanced tools such as VR or predictive analytics. This enhances both patient outcomes and clinical efficiency. Underperformers often rely on fragmented or manual systems.
- 5. Culture and clinical quality:** Strong companies foster positive cultures, emphasize family outcomes and gain traction with referrers and payers. In contrast, aggressive expansion without clinical oversight has led to reputational damage in several recent high-profile failures.

## Our experience

We have advised on more than a dozen projects across the ABA therapy and pediatric behavioral health landscape since 2018, including commercial due diligence, growth strategy and vendor due diligence support. Our clients include leading private equity investors, strategic buyers and behavioral health operators. We've helped evaluate opportunities ranging from multistate clinic operators to autism-specific tech platforms and bring unmatched insight into what drives sustainable value creation — and what risks to avoid.

For more information, please [contact us](#).

## About the Authors

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Rozy Vig is a Managing Director in L.E.K. Consulting's San Francisco office and a member of the firm's Healthcare Services practice. Rozy's work spans corporate strategy and M&A support with a focus on the provider care continuum, including health systems, post-acute and long-term care, at-home care, primary and urgent care, and specialty care. She also has experience at the intersection of payer, provider and healthcare IT, having completed projects on value-based care strategy, staffing solutions, precision medicine enablement and workflow automation.

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## About L.E.K. Consulting

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