

# ASD Services Fit With Existing UC Business Models

**Urgent Message:** Rapid growth in the autism spectrum disorder services sector may present an expansion opportunity for urgent care operators who take the initiative to develop the necessary infrastructure.

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As the prevalence of autism spectrum disorder (ASD) continues to rise—now affecting 1 in 36 children in the United States—demand for accessible services is greater than ever.<sup>1</sup> While long-term behavioral health services for those with ASD are typically a separate, specialized domain, urgent care providers might wonder if there is a business structure for offering ASD care as a separate line of business—particularly operators that focus on pediatric populations.

Delivering ASD care services requires a nuanced approach that involves evidence-based, comprehensive services and highly trained providers in coordination with a pediatrician or family physician. However, adding ASD care services adjacent to the urgent care model can meet the needs of a community, diversify revenue, strengthen patient relationships, and change the perception of urgent care to that of more comprehensive healthcare providers.

As the need for ASD care grows, urgent care operators might explore the potential business opportunity or at least be aware of community partners available for referral and collaboration.

## ASD Services Models

The Centers for Disease Control and Prevention (CDC) estimates as many as 3 million Americans are on the autism spectrum, and at least 10 times as many children are now considered to have ASD compared to 40 years ago.<sup>1</sup> A significant part of the reason for the increase in



prevalence is the greater awareness of the ASD diagnosis among clinicians and the advances in screening and diagnostic tools.<sup>2</sup> Services for those with ASD represents a care category projected to grow in the next decade and beyond.

According to August, 2024 data provided to *JUCM* from National Urgent Care Realty, more than 3,000 locations nationwide provide a scope of behavioral health services for children on the autism spectrum. Like the early years of urgent care, the behavioral health segment focused on autism services is highly fragmented today (Table 1). Also according to National Urgent Care Realty data examining the largest operators, 43% of rooftops

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are single-unit operators while 33% of rooftops are controlled by entities with more than 10 locations. It is expected that the behavioral health industry will see both organic growth in rooftops as well as consolidation of existing operators in the coming years.

And the behavioral health services have proven to be suitable clinical complements within the portfolios of urgent care owners and operators.

Little Spurs Pediatric Urgent Care in San Antonio and Dallas/Fort Worth, Texas, has launched a specialized autism center with 2 locations delivering services separately from its network of pediatric urgent care facilities. The Little Spurs Autism Centers offer comprehensive assessments, diagnosis, and applied behavioral analysis (ABA) therapy for patients/clients up to 21 years old. Additional services include individualized education program assistance to support children throughout their school years.

Notably, Little Spurs' Autism Centers leverage the company's existing urgent care branding. The ASD line of business offers strategic advantages beyond expanded revenue by positioning the urgent care brand as a comprehensive healthcare provider capable of meeting a wide range of community needs beyond acute illness and injury care. The expansion of services can also be a key differentiator in the competitive urgent care market. Building a business case for autism services starts with a thorough understanding of the diverse range of ASD interventions and support systems needed to deliver appropriate care and outcomes.

### ASD Screening and Diagnosis

Medical and scientific literature has long supported early diagnosis as a critical factor in the effective management of ASD.<sup>3</sup> The Diagnostic and Statistical Manual of Mental Disorders 5<sup>th</sup> Edition from the American Psychiatric Association outlines the criteria for diagnosis, emphasizing a wide spectrum because there is significant variation in the type and severity of symptoms that people with ASD experience. Assessments like the Autism Diagnostic Observation Schedule, Second Edition (ADOS-2) is one tool used to diagnose ASD, and the CDC also offers a number of screening tools as well.<sup>4</sup>

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### Therapeutic Interventions

Once a diagnosis is established, clinics can serve their patients/clients by offering various therapeutic interventions that support development and functioning in

Operating Entity	Center Count	Investment Firm
BlueSprig (Florida Autism Center, Trumpet, Fusion)	170	KKR
Hopebridge Autism Therapy Centers	106	Arsenal Capital Partners
Autism Learning Partners	76	FFL Partners
Behavioral Innovations	62	Tenex Capital Mgmt
Acorn Health	61	Ontario Teachers Plan
Proud Moments ABA	47	Audax Private Equity
ACES	38	General Atlantic
Center for Autism and Related Disorders	28	Blackstone Group
ChanceLight (Growing Minds Learning Center)	28	Halifax
ABS Kids	27	Morgan Stanley
Behavior Frontiers	27	Lorient Capital
Mosaic Pediatric Therapy	24	
Positive Behavior Support Corp.	22	

*Source: National Urgent Care Realty data, August 2024*

everyday life. Prime among these is ABA, which focuses on teaching essential life skills through positive reinforcement. This long-term approach has been shown to create meaningful behavior change over time.<sup>5</sup> Furthermore, ABA is tailored to each child's needs and evolves in response to their progress.

ABA is typically performed by a registered behavioral technician (RBT) under the supervision of a board certified behavioral analyst (BCBA), who is nationally certified and state-licensed with a master's degree or PhD in psychology or behavioral analysis. RBTs are the front-line therapists working with patients daily. As of July 2024, there were 69,000 BCBAs and 170,000 RBTs holding certification in the United States.<sup>6</sup>

In addition to ABA, other therapies support holistic autism care. Occupational therapy is a cornerstone of autism treatment that helps those with ASD develop skills for daily living, which might include eating, dressing, and personal hygiene, as well as skills for navigating environments that might cause distress. Speech therapy addresses both verbal and non-verbal communication skills.

For younger children, early intensive behavior intervention and the Early Start Denver Model (EDSM) have been shown to be effective.<sup>7</sup> These programs are designed for children under 5 years of age and combine play-based activities with structured teaching methods to promote appropriate cognitive and social development. Typically provided in a 1-to-1 setting, these forms of therapy are personalized for each child.

### Educational Support Services

Beyond therapeutic interventions, educational support is a vital component of autism care, particularly for children of school-age years. Nearly all specialized autism clinics assist with individualized education plans and/or admission, review, dismissal programs—the structures that ensure children receive the necessary accommodations and tailored educational strategies they need to succeed within traditional school environments. Clinics must coordinate with school districts to ensure they can comply with policies and that their plans are compatible and effective.

Moreover, parental education and supportive services are just as integral to the child's success, given the parent's role in reinforcing therapy techniques at home and advocating for their child's needs.

### Insurance Coverage and Accessibility

Navigating insurance coverage to ensure reimbursement and treatment accessibility is a critical consideration for any urgent care aiming to add ASD services. Many

### Is Today's ASD Yesterday's Urgent Care?

ASD services is currently one of the most active areas of healthcare services investment. Demand for services currently outstrips capacity due to heightened diagnostic awareness and expanded insurance coverage (all 50 states have passed laws regarding coverage).<sup>8</sup> There has been growth in the application of evidence-based behavioral therapy, and there are few barriers to entry. Additionally, the industry is highly fragmented making it ripe for consolidation.

Similar conditions existed for urgent care in 2010 driving the private equity thesis of platform growth, scale economies in clinical infrastructure and back-office support, and price-earnings multiple expansion. Today, about 17% of urgent care centers have private equity investment backing.<sup>10</sup>

In 2023, applied behavioral analysis programs generated \$4 billion in revenue with a projected 4.8% growth rate.<sup>11</sup> Over the past 4 years, the ASD services industry has shifted from community non-profits and single unit “mom-and-pops” run by a single therapist to today's market with the 14 largest players (77% of which have private equity backing) controlling 24% of rooftops (**Table 2**).

*“Assessments, therapy sessions, and follow-ups are best scheduled ahead of time with consideration for appropriate staffing.”*

autism services, including ABA, are covered by most insurance plans. All 50 states mandate covered services for ASD to some extent.<sup>8</sup> However, the scope of coverage varies widely, and some insurance plans are exempt.

Insurance coverage may pose limitations associated with critical variables, such as the number of therapy hours covered, criteria for qualifying for coverage of specific services, and which types of providers may file claims. Typical urgent care businesses must be prepared to operationalize far more administrative and coverage processes for ASD services than what they routinely navigate with urgent care to ensure the line of business is financially sustainable.

Likewise, urgent care owners should be sensitive to the challenges families may face in securing coverage.

**Table 2. ASD Services Provider Size**

Number of Operator Locations	Number of Operators	Number of Centers	Percent of Centers
>100	2	276	9%
75-100	1	76	3%
50-75	2	123	4%
40-50	1	47	2%
30-40	1	38	1%
20-30	6	156	5%
10-20	22	292	10%
5-10	50	317	10%
3-5	53	173	6%
2	108	216	7%
1	1,319	1,319	43%

*Source: National Urgent Care Realty data, July 2024*

Many encounter high deductibles, co-pays, coinsurance, and prior authorization limitations that can become barriers to care. Collecting the out-of-pocket payments within revenue cycle management processes would be similar to the processes used for collecting payment in urgent care.

**Access**

Unlike traditional urgent care services, which welcome walk-ins, ASD services require a more structured approach. Assessments, therapy sessions, and follow-ups are best scheduled ahead of time with consideration for appropriate staffing.

COVID-19 had a marked impact on recruiting and retention within the autism services space, consequently affecting most agencies’ bottom lines; most business underperformance is due to staffing and supply restraints, not a lack of demand. Agencies that have been able to retain talent have and will continue to grow their businesses.

**Referrals**

While some families may seek out ASD services independently, many are referred by a primary care physician, pediatrician, or school. Urgent cares with a strong reputation in their community will find it easier to build a strong referral network and maintain the viability of the program.

Through the lens of urgent care, understanding and addressing the needs of the community is not just about offering a new service, it’s about building a sustainable,

patient-centered model that meets the growing demand for specialized ASD care.

**Patient Expectations**

In the urgent care setting, treatment typically addresses immediate concerns—something patients have come to expect. Effective autism care focuses on long-term developmental gains and quality-of-life improvements. ASD is a lifelong condition, and the trajectory of each person’s development is unique, and not everyone will respond to interventions in the same way or at the same pace. As such, it’s crucial to establish realistic expectations for the business and the clients/patients and their families.

The long-term benefits of comprehensive autism care are well documented. Research indicates that early intervention, particularly before age 5, can lead to more significant and sustained improvements in cognitive, language, and social skills.<sup>9</sup>

**Conclusion**

ASD care offers a potential revenue diversification opportunity for urgent care operators as well as an opportunity to fulfill an unmet need for care services in a community. By expanding, urgent care centers can enhance patient satisfaction and solidify their position as comprehensive healthcare providers. ■

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