



## Coalition's ABA Practices Views of Corporate Practice of Medicine's (CPOM) Ownership and Professional Business Structure (PSC) Requirements for ABA Practices.

### A Brief Explanation and History of the CPOM & Behavior Analyst Licensure Act

CPOM is a doctrine prohibiting business entities and unlicensed individuals from practicing medicine or employing licensed healthcare providers for the rendition of licensed services.

CPOM derives from the notion that medical decisions should not be swayed by unlicensed individuals' financial and business interests. Illinois courts have consistently upheld CPOM since 1935.

CPOM does not seek to improve the quality of services; rather, it is a patient and practitioner protection measure.

CPOM's spirit is accepted and well ingrained in Illinois' practitioner associations and government agencies.

In 2022, the Behavior Analyst Licensing Act was passed.

In 2025, IDFPB began licensing behavior analysts, starting the two-year clock that providers successfully advocated for to allow time to comply with CPOM and the Professional Service Corporation Act (PSC) by January 15, 2027.

Allowable owners of ABA practices are Licensed Behavior Analysts (LBA) and Licensed Assistant Behavior Analysts. (Section 150, CPOM). See information about adding other Related Services Professionals below.

Allowable business entity structures for ABA practices add the word Professional in front of LLC or Corporation. PLLCs and PCs are based on the Professional Service Corporation (PSC) Act.

### Coalition Participant's Ownership Types & Key CPOM Survey Results

Our Coalition 50 ABA practices with ownership structure:

- 47% Licensed Behavior Analyst (LBA) only
- 9% LBA and other related service professionals ((RSP) such as speech and OTs) owners only.

*Note: 58% were already compliant with ownership.*

- 18% LBA and non-licensed owners.
- 19% Non-licensed owners only.

CPOM-specific surveys were conducted in August 2025 (24 ABA practices) and again in January 2026 (43 ABA practices) with similar results.

#### Key January 2026 survey results from Coalition participants/providers included:

- 24.45% Are already compliant with ownership and business structure requirements.
- 55.81% Are actively working toward compliance.
- 62.79% Responded "No" to Do you want to repeal CPOM and remove section 150 from the LBA Act.
- 86.05% Plan to be compliant with ownership and business structure by January 2027. See page 2 under access issues.

**The Coalition's providers twice stated they do not support repealing CPOM. Our survey data does not indicate a large projected risk of loss or disruption of ABA services.**

### Provider Impact and Support for New Legislation Impacting ABA Providers

The Coalition recognizes that ABA providers that are either LBA-owned or LBA and related service professional (RSP) owned and are limited liability corporations have an easier, less costly path to compliance than ABA practices with non-licensed owners, which must divest their ownership, or ABA practices that are corporations. So far, providers are reporting fewer complications when modifying insurer contracts to reflect their new business structures when no change to the entity's EIN.

**The Coalition supports ILABA's legislative language to add occupational therapists to the LBA Act and add LBA/LABA to the RSP listing of allowable practitioners under the PSC Act. We support IPAAQ's language for strengthening clinical decision-making. We do not support removing of Section 150's ownership requirement from the LBA Act.**

## Protections, Workarounds, ABA Ownership Structure, and Service Access

### Why do we have to divest non-licensed owners from all of Illinois' medical and behavioral health providers?

The Professional Services (PSC) Act does not authorize IDFPR to hold non-licensed owners or a business legally accountable. IDFPR can only hold the licensed practitioners accountable to the CPOM doctrine and the PSC Act.

CPOM protects clinicians and patients from non-licensed owners influencing care.

CPOM has nothing to do with the quality of clinical care delivered; that falls under the individual practitioner's license and scope of practice.

### What workaround does everyone say is available?

The term "workaround" is used to refer to non-licensed owners divesting themselves out of the service delivery (PSC/PLLC) company's ownership and then creating a management service organization (MSO). The MSO can contract with the PSC/PLLC for management services and be paid at fair market value for those services.

The PSC/PLLC's licensed practitioner ownership can obtain and control payer contracts and make all clinical decisions. If anyone has concerns about authorizations or treatment, they can contact IDFPR, and the practitioner will be investigated, along with the PSC/PLLC's compliance with the CPOM doctrine and the PSC Act.

### Will speech, physical, and occupational therapists (SP,OT,PT) be allowed to own ABA service delivery companies and work with LBAs? We expect yes, as related service professionals.

The term "related service professionals" (RSP) is used in the Professional Services Act (PSC), which clarifies which practitioner types may own businesses together and employ one another. Currently, we see many ABA practices owned by LBAs and RSPs; however, this is not in compliance with the PSC Act. We are in support of ILABA's legislative language to add LBA/LABAs to the PSC Act and add OTs to the LBA Licensure Act, which will allow them to own businesses with SP, OT, PTs, and be in compliance with PSC Act.

### Won't there be an access issue if only 86.05% of the Coalition's practices are in compliance?

The Coalition has several non-profits, adult service providers, and therapeutic day schools that make up 6% of the membership. These providers will not need to comply. That leaves three practices, or 8%, stating they will not be compliant in January 2027: one practice is selling to an LBA-owned practice, the second is a multi-specialty, multi-state provider unable to afford compliance, and the third is a non-licensed, franchised owner practice that voted not to repeal CPOM and plans to close. Given the industry's staffing shortages, we are confident their staff will be hired by other ABA practices, keeping capacity close to today's level. We met with New York to discuss their CPOM laws, and they did not experience a loss or interruption to services.



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Drop-In Lunch Discussions on Ownership & Structure Requirement for ABA Practices by Zoom

5 Steps to Move Into Compliance Document

Access to CPOM/PSC Webinar

Webinar Q&A Document

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## Acronyms

**CPOM** - Corporate Practice of Medicine Doctrine  
**PSC** - Professional Service Corporation Act  
**PC** - Professional Corporation  
**PLLC** - Professional Limited Liability Corporation  
**ILABA** - IL Association for Behavior Analysis

**LBA** - Licensed Behavior Analyst  
**LABA** - Licensed Assistant Behavior Analyst  
**IDFPR** - State's Professional Licensing Board  
**ABA** - Applied Behavior Analysis Treatment for ASD  
**RSP** - Related Service Professionals (SP/OT/PT)