LA22-04

STATE OF NEVADA

Performance Audit

Delivery of Treatment Services for Children With Autism

2020

Legislative Auditor
Carson City, Nevada

Audit Highlights

Highlights of performance audit report on the Delivery of Treatment Services for Children With Autism issued on January 14, 2021.

Legislative Auditor report # LA22-04.

Background

ASD is a developmental disability that can cause significant social, communication, and behavioral challenges. Individuals with ASD communicate, interact, behave and learn in ways that are different from others.

While the causes of ASD are not fully understood, early interventions with evidenced-based services and treatments such as ABA have proven effective in helping children develop, maintain, or restore to the maximum extent practicable, functioning in ways that are both efficacious and cost effective.

The State of Nevada helps provide access to evidence-based treatment for lower income families with children diagnosed with autism primarily through the Autism Treatment Assistance Program (ATAP) or the Division of Health Care Financing and Policy (Nevada Medicaid).

Purpose of Audit

This audit was required by Chapter 507, Statutes of Nevada 2019 (Senate Bill 174). The scope of our audit included the time period from July 1, 2015, to June 30, 2020. Our objectives were to:

- Determine if revenues and expenditures related to autism therapy were sufficient and appropriate.
- Evaluate and review whether children wait for services and if enough providers exist to serve Nevada's population of children with ASD.
- Identify and assess factors that inhibit access to and delivery of autism treatment services.

Audit Recommendations

This audit report contains 14 recommendations to improve the delivery of autism treatment services.

The Division of Health Care Financing and Policy and Aging and Disability Services Division accepted all 14 recommendations.

Recommendation Status

The Division of Health Care Financing and Policy's and the Aging and Disability Services Division's 60-day plans for corrective action are due on April 9, 2021. In addition, the 6-month reports on the status of audit recommendations are due on October 9, 2021.

Delivery of Treatment Services for Children With Autism

Department of Health and Human Services

Summary

Funding for Autism Spectrum Disorder (ASD) has been sufficient to cover children receiving services through Nevada autism programs since 2015. However, we found evidence of improper billing and possible fraud in Medicaid claims. While funding has been sufficient to cover those applying for services, families continue to struggle to obtain treatment and opportunities exist to assist families in obtaining more timely diagnosis and treatment. Assisting families in getting more timely services is critical to improving the outcomes of children with autism.

Barriers to treatment are mostly influenced by an insufficient provider base to provide therapy to all children who medically require services. We estimate there are only enough providers to serve about two of every three children who would most benefit from Applied Behavior Analysis (ABA) services. While many factors influence the number of providers delivering medical services, Registered Behavior Technician (RBT) reimbursement rates are significantly lower than private insurances and challenges in the workplace contribute to limited capacity. Finally, improved communication will enhance outcomes, ease transitions, and result in more robust delivery of services for families of children with autism.

Key Findings

State agencies did not spend all funds budgeted for autism treatment. In the 2015 Legislative Session, the State estimated the cost to provide autism treatment to be $35.7 million annually. This amount was projected to cover an estimated 2,500 children needing treatment services. However, since fiscal year 2017 only about $15 million per year, on average, has been spent on autism therapy services. (page 8)

Our analysis of fee-for-service Medicaid claims for autism treatment services found unreasonable and possibly fraudulent claims paid. Specifically, too many hours were charged for a single day. We found nearly 1,000 of 113,000 days for individual providers in which 24 or more hours were billed. Claims, some of which may overlap between providers and children, totaled about $6 million since fiscal year 2016 for excessive service hours for both providers and children. However, we could not calculate an overpayment because we could not determine what portion of each claim was legitimate, if any. (page 12)

ATAP currently helps families once children have been formally diagnosed with autism documented through a school-based Individualized Educational Program (IEP) or medical diagnosis. However, many families surveyed indicated the process of obtaining a formal autism diagnosis needed to meet criteria to receive ABA treatment is difficult. Obtaining a diagnosis often takes several months and, in some cases, even longer. Providing families additional assistance to help them obtain a diagnosis, including information about available providers can reduce the time needed to obtain a diagnosis and ease parental stress and concern. (page 22)

Families also face challenges in obtaining treatment for their children once they have received an autism diagnosis. Delays in starting treatment range from several months to over a year. Although these delays have been declining recently, there are opportunities for ATAP to reduce the time further between diagnosis and treatment. More timely treatment of children is critical to improving outcomes. (page 24)

While the number of licensed ABA providers in Nevada significantly increased between August 2019 and October 2020, many children continue to wait several months before receiving treatment, because providers do not have openings in schedules to accept children right away. Over the last few years, the number of providers has steadily increased as more insurers, including Nevada Medicaid, support ABA therapy as a treatment option for autism. However, the number of providers is still not sufficient to provide service to those wanting service, as evidenced by waitlists, but also for those who would benefit from but are not seeking treatment. (page 30)

The shortage of ABA providers for children with Medicaid is worse than for children with private insurance since only about a third of licensed ABA providers served Medicaid children in fiscal year 2020. Consequently, children covered by Medicaid and ATAP programs wait for treatment to begin longer than children with private insurance. The providers who deliver the majority of one-on-one therapy, RBTs, are paid half the rate by Medicaid and ATAP that private insurers pay. In addition, providers indicated the process for being enrolled in Medicaid is burdensome and takes considerable time. (page 33)

A significant barrier to school-aged children receiving ABA therapy services is the time spent in school. Many school districts have programs designed to provide therapy and assistance to school-aged children with autism. Medicaid has been providing school districts with the necessary knowledge of what is allowable to bill under ABA services and intends to provide additional support to provide children more comprehensive services. (page 38)

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This report contains the findings, conclusions, and recommendations from our performance audit of Delivery of Treatment Services for Children With Autism. This audit was required by Chapter 507, Statutes of Nevada 2019 (Senate Bill 174). The purpose of legislative audits is to improve state government by providing the Legislature, state officials, and Nevada citizens with independent and reliable information about the operations of state agencies, programs, activities, and functions.

This report includes 14 recommendations to improve the delivery of autism treatment services. Some recommendations apply to the Division of Health Care Financing and Policy, others to the Aging and Disability Services Division, and some apply to both agencies. We are available to discuss these recommendations or any other items in the report with any legislative committees, individual legislators, or other state officials.

Respectfully submitted,

Daniel L. Crossman, CPA
Legislative Auditor

January 6, 2021
Carson City, Nevada

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Introduction

Background

Autism Spectrum Disorder (ASD) is a developmental disability that can cause significant social, communication, and behavioral challenges. Individuals with ASD communicate, interact, behave and learn in ways that are different from others. It is estimated ASD impacts about 1 in every 54 children in the United States, a rate that has steadily risen over the past two decades in the United States from 1 in every 150 children.

Determining the number of children in Nevada with ASD is difficult. Nevada schools utilize Individualized Educational Programs (IEP) for children needing specialized educational attention. Autism specific IEPs are developed for children exhibiting behavioral characteristics consistent with ASD in a public educational setting, but do not necessarily indicate a child has received a medical diagnosis of ASD. For the 2019-2020 school year, 9,075 (1 in every 55 children) had an autism specific IEP. Exhibit 1 provides the number of students in Nevada schools whose IEP indicated autism as the primary condition for the 2016 through 2020 school years.

Children With Autism IEP by School Year **Exhibit 1**

School Year	Number of Children With Autism Specific IEP[1]
2015 / 2016	6,502
2016 / 2017	6,987
2017 / 2018	7,757
2018 / 2019	8,189
2019 / 2020	9,075

Source: Auditor prepared based on Nevada Department of Education data.

Note: In accordance with the Individuals with Disabilities Education Improvement Act of 2004, children ages 3 to 21 are entitled to a public education and can be enrolled in Nevada schools. The totals above include children aged 3 to 4 and 19 to 21 enrolled in Nevada schools.

(1) Includes students with an autism specific IEP, not necessarily a medical diagnosis.

Autism Spectrum Disorder

ASD is a group of complex disorders of brain development characterized by difficulties in social interaction, verbal and nonverbal communication, and repetitive behaviors. The cognitive and intellectual abilities of individuals with ASD can range from gifted to severely challenged, and some individuals may require substantial assistance in their daily lives while others may need less. Some children may begin to display symptoms of ASD prior to their first birthday, but a medical diagnosis usually can be reliably obtained between 2 and 3 years of age.

Diagnosis

A medical diagnosis of ASD involves an assessment process, including the following:

- Completion of a developmental screening including an exam to evaluate the child's learning, speaking, behavior, and movement.

- Comprehensive diagnostic evaluation which can involve parental interviews, child evaluations, and multiple medical tests.

A diagnosis typically must come from a medical doctor, physician's assistant, or nurse practitioner acting within their scope of practice. In addition, some insurers may require neuro-psychological testing to rule out any neurological disorders where traditional autism treatment would not be appropriate.

Treatment – Applied Behavior Analysis

While the causes of ASD are not fully understood, early interventions with evidenced-based services and treatments such as Applied Behavior Analysis (ABA) have proven successful and cost effective. These treatments help children develop, maintain, or restore functioning to the maximum extent practicable. ABA is a scientific problem-solving approach aimed at producing socially significant behavioral change. ABA therapy utilizes reinforcement and other behavioral principles to minimize problem behaviors by teaching children to manage their social and learning environments. Therapy also includes direct support and training

of family members and caregivers. Services are typically provided in one-on-one settings by qualified providers.

Applied Behavior Analysis Providers

The Behavior Analyst Certification Board is a national organization that licenses providers and determines the educational and other requirements for practitioners of ABA therapy. To practice in Nevada, ABA providers must register with the Board of Applied Behavior Analysis and have completed all requirements set forth by the Behavior Analyst Certification Board. Providers are licensed as one of the following:

- Registered Behavior Technician (RBT) – This license requires a high school diploma, criminal background check, 40 hours of training, and passing a competency assessment. An RBT provides one-on-one ABA services, tracks progress on goals, and ensures the child's well-being and safety during sessions. As of October 2020, there were 1,290 RBTs licensed in Nevada.

- Board Certified Assistant Behavior Analyst (BCaBA) – This license requires a bachelor's degree with 180 classroom hours in content areas, including concepts, principles, and research methods in behavior analysis, and ethical and professional conduct. Additionally, 500 hours of intensive university practicum or 1,000 hours of supervised independent fieldwork are required. These practitioners provide one-on-one therapy and are responsible for the development of treatment plans and providing parent training, education, and strategies. As of October 2020, there were 34 BCaBAs licensed in Nevada.

- Board Certified Behavior Analyst (BCBA) – This license requires a master's degree in behavior analysis, education, or psychology; and 750 hours of intensive university practicum or 1,500 hours of supervised independent fieldwork. These practitioners are responsible for the development of treatment plans; providing parent training, education, and strategies; and supervision of BCaBAs and RBTs in providing and coordinating treatment for children.

As of October 2020, there were 292 BCBAs licensed in Nevada.

Nevada's Efforts to Assist With the Treatment of ASD

The State of Nevada helps provide access to evidence-based treatment for lower income families with children diagnosed with autism primarily through two agencies. First, the Autism Treatment Assistance Program (ATAP) provides direct funding and temporary assistance for ABA treatment for children under 20. Second, the Division of Health Care Financing and Policy (Nevada Medicaid) covers ABA treatment for eligible children under 21 diagnosed with ASD.

Autism Treatment Assistance Program

ATAP initially began as a pilot program in 2007. ATAP was formally established in 2011 under the Department of Health and Human Services' Division of Aging and Disability Services to assist parents and caregivers with the expensive costs of providing autism specific treatments to children. ATAP, the payer of last resort, provides services to those families who do not qualify for Medicaid, but whose income is below certain thresholds. Generally, reductions in family support begin at 300% of the federal poverty level.

ATAP offers a variety of plan types to meet the needs of children and families, assists with copays and deductibles, and provides case management support for Medicaid eligible children. The most significant plans include:

- Comprehensive – For children 9 and under and addresses skills across all developmental domains. Treatment is limited to 25 hours per week and includes one-on-one therapy and parental training. Children can remain on this plan for a maximum of 4 years.

- Targeted Extensive – For children between 9 and 19 years of age that addresses 3-10 specific skills or behaviors. Treatment is limited to 15 hours per week and includes one-on-one therapy and parental training. Children can remain on this plan for 2 or 3 years.

- Targeted Basic – For children between 9 and 19 years of age that addresses 1-3 specific skills or behaviors. Treatment is limited to 5 hours per week. Children can remain on this plan for 1 or 2 years.

- Insurance Assistance – For children under 20 years of age whose families need financial support to afford ABA services through their private insurance coverage due to high costs for services. ATAP provides assistance with deductibles and co-pays. Children can remain on this plan for 8 years if they have not accessed any other ATAP service.

- Service Coordination – For Medicaid children who are eligible for targeted case management. ATAP provides families with agency resources and referrals when needed. There is no limitation on the number of years children can access Service Coordination through ATAP.

Nevada Medicaid

Federal requirements mandated the inclusion of ABA coverage in Medicaid state plans beginning in 2016. Medicaid is a joint federal-state assistance program that provides health coverage for certain people with limited income. Services are provided through a combination of traditional Medicaid fee-for-service (FFS) provider networks and managed care organizations (MCO). Nevada Medicaid contracts with three MCOs: Health Plan of Nevada, Anthem Blue Cross Blue Shield, and SilverSummit Healthplan.

Effect of COVID-19 Pandemic on ABA Services

At the beginning of the COVID-19 pandemic, many providers closed temporarily and during closures either furloughed or laid off staff. Providers adjusted caseloads and schedules as they re-opened. For provider groups with clinics, group practices made efforts to limit the number of providers, children, and family members inside the clinic at any given time. Additionally, some provider groups took steps to limit the number of families that each individual provider worked with in an effort to minimize the possibility of exposure and transmission of COVID-19.

Telehealth services for ABA treatment were not authorized until May 2020 by Medicaid. As a result, families with Medicaid were unable to access services if their ABA provider had chosen not to continue in-person services.

Scope and Objectives

This audit was required by Chapter 507, Statutes of Nevada 2019 (Senate Bill 174), included at Appendix A, and was conducted pursuant to the provisions of NRS 218G.010 to 218G.350. The scope of our audit included a review of state funds used for ASD treatment, and caregiver and provider experiences from July 1, 2015, through June 30, 2020. Our audit objectives were to:

- Determine if revenues and expenditures related to autism therapy were sufficient and appropriate.
- Evaluate and review whether children wait for services and if enough providers exist to serve Nevada's population of children with ASD.
- Identify and assess factors that inhibit access to and delivery of autism treatment services.

The Legislative Auditor conducts audits as part of the Legislature's oversight responsibility for public programs. The purpose of legislative audits is to improve state government by providing the Legislature, state officials, and Nevada citizens with independent and reliable information about the operations of state agencies, programs, activities, and functions.

Limitation

We conducted this audit in accordance with government auditing standards. Standards require we report constraints imposed on the audit approach and limitations on access to information. We do not believe the limitation noted below affected our conclusions. However, data available to perform certain analyses was flawed. Readers are encouraged to review the methodology section of this report for further detail regarding data obtained and assumptions made. The following describes a known limitation on data received:

Encounter claim data received from Nevada Medicaid was not accurate. As noted later in this report, data received regarding claim information for managed care organizations could not be used. As a result, we could not analyze expenditures related to children enrolled in managed care for appropriateness. However, we requested managed care organizations provide data directly to us to use for total costs related to services provided. Based on a review of the information received and a comparison with other sources, we believe that information accurately reflects total costs related to the provision of treatment services and have reported those amounts later in the report.

Autism Services Funding Sufficient But Agencies Need Better Oversight of Expenditures and Program Information

Funding for autism treatment services covered actual costs for families seeking assistance since fiscal year 2016 when Medicaid began covering Applied Behavior Analysis (ABA) therapy. Since this time, the State has expended about $70 million for Nevada's lowest income families, either through the Division of Health Care Financing and Policy (Nevada Medicaid), the Autism Treatment Assistance Program (ATAP), or indirectly through Medicaid managed care organizations. However, we found some Medicaid fee-for-service expenditures over the last 5 years were improperly paid as providers billed for excessive service hours in a single day. Also, Nevada Medicaid could not provide accurate or useful claim data for managed care services related to autism treatment and ATAP did not always adequately review or retain sufficient documentation to ensure amounts paid to providers on behalf of certain participants were appropriate. Finally, both agencies submitted fiscal notes during the 2019 Legislative Session that overestimated the cost of increasing provider rates due to unreasonable assumptions in their calculations.

Not All Funding Utilized Because of Lower Caseloads

State agencies did not spend all funds budgeted for autism treatment. In the 2015 Legislative Session, the State estimated costs to provide autism treatment to be $35.7 million annually. This amount was projected to cover an estimated 2,500 children needing treatment services. However, since fiscal year 2017 only about $15 million per year, on average, has been spent on autism therapy services. Exhibit 2 shows expenditures and the number of

children obtaining treatment services for each agency including Medicaid managed care organizations since fiscal year 2016.

State Expenditures Related to Autism Services by Program **Exhibit 2**
Fiscal Years 2016 to 2020

	2016 Expenditures	2016 Children	2017 Expenditures	2017 Children	2018 Expenditures	2018 Children	2019 Expenditures	2019 Children	2020 Expenditures	2020 Children	Total Expenditures
Direct State Expenditures											
Medicaid Fee-for-Service	$ 194,029	51	$ 2,130,050	318	$ 4,583,043	419	$ 8,219,676	546	$10,440,487	624	$25,567,285
ATAP	10,214,377	703	11,305,616	772	10,098,067	761	4,984,304	680	3,170,843	609	39,773,207
Total Medicaid Fee-for-Service and ATAP	**$10,408,406**	**754**	**$13,435,666**	**1,090**	**$14,681,110**	**1,180**	**$13,203,980**	**1,226**	**$13,611,330**	**1,233**	**$65,340,492**
Indirect State Expenditures											
Managed Care Organizations[1]	14,911	5	114,274	10	841,153	38	1,855,406	72	1,690,857	89	4,516,601
Totals All Programs	**$10,423,317**	**759**	**$13,549,940**	**1,100**	**$15,522,263**	**1,218**	**$15,059,386**	**1,298**	**$15,302,187**	**1,322**	**$69,857,093**

Source: Auditor prepared based on Medicaid fee-for-service claim data, ATAP autism services data, and managed care organizations' self-reported expenditure data.
(1) Managed care organizations' participant numbers are based on averages over each fiscal year.

State expenditures for autism services did not meet budgeted amounts mostly because the number of children receiving services continues to be well below that estimated during the 2015 Legislative Session. Children receiving services through Medicaid and ATAP averaged about half of the nearly 2,500 estimated over the last 4 years. Had the number of children equaled that estimated, both agencies would have barely exceeded budgeted amounts for fiscal year 2017. We used 2017 to determine whether funding was sufficient to cover the projected caseload because this was the only year autism therapy could be specifically identified in Nevada Medicaid's budget.

While ATAP had been serving children with autism for several years prior to the Medicaid state plan amendment, data regarding the number of children with autism who might seek treatment through Medicaid was limited. During the 2015 Legislative Session, testimony and budget documents indicate agencies anticipated 1,879 children with autism could seek services through the Medicaid program in fiscal years 2016 and 2017. However, the actual number of children receiving ABA therapy through Medicaid continues to be well below that. Medicaid data shows children receiving ABA therapy through Medicaid has ranged from a low of 56 in fiscal year 2016 to a high of 713 in fiscal year 2020.

Even 5 years later, the actual population of children served through Medicaid is less than half that originally estimated.

Several factors may have caused the number of children serviced to be less than that estimated, including:

- Limited information existed in 2015 to estimate the number of children that would need services.
- IEPs, the best available information on the autism population, do not necessarily reflect children medically diagnosed with ASD.
- Families may elect not to receive treatment.
- Children may benefit more from non-ABA services or may have behaviors that are not severe enough to require treatment.

The number of children obtaining ABA therapy from Medicaid continues to increase each year and costs have grown accordingly; however, actual caseloads remain well below 2015 estimates. As we discuss later in this report, families experience barriers in obtaining treatment which has likely influenced Medicaid caseloads. Based on Nevada Department of Education data, it is likely more children can benefit from ABA treatment than are currently seeking treatment.

ATAP Costs Decline as More Families Need Insurance Assistance Instead of Full Support for Treatment Costs

Overall program expenditures for ATAP have been declining as ATAP has transitioned qualifying children to Medicaid. Over the past 5 years the number of children in ATAP's most costly plans, Comprehensive and Targeted Extensive, have declined while those requesting assistance to cover insurance deductibles and copays have increased. Exhibit 3 shows budgeted versus actual autism treatment expenditures for ATAP over the past 5 fiscal years.

ATAP Budget and Actual Expenditures **Exhibit 3**
Autism Treatment Costs
Fiscal Years 2016 to 2020

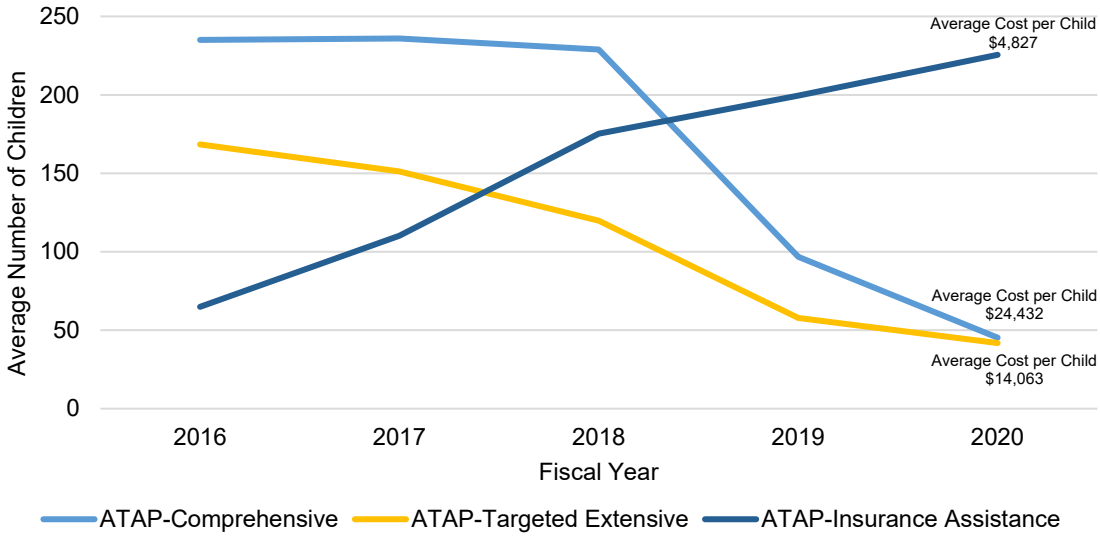
	2016	2017	2018	2019	2020	Totals
Budgeted Expenditures						
Autism Services	$12,036,165	$14,548,694	$11,157,610	$11,439,527	$12,242,530	$61,424,526
Total Budgeted Expenditures	**$12,036,165**	**$14,548,694**	**$11,157,610**	**$11,439,527**	**$12,242,530**	**$61,424,526**
Actual Expenditures						
Autism Services[1]	$ 7,864,683	$ 8,439,994	$ 8,431,323	$ 4,681,860	$ 2,966,102	$32,383,962
Other[2]	2,349,694	2,865,622	1,666,743	302,444	204,742	7,389,245
Total Actual Expenditures	**$10,214,377**	**$11,305,616**	**$10,098,066**	**$ 4,984,304**	**$ 3,170,844**	**$39,773,207**
Unspent Budget Authority	**$ 1,821,788**	**$ 3,243,078**	**$ 1,059,544**	**$ 6,455,223**	**$ 9,071,686**	**$21,651,319**

Source: Auditor prepared from state accounting system and ATAP autism services data.
(1) Agency reported total expenditures for children in a specific autism services plan type.
(2) Other costs include contracts, dues and registrations, instructional supplies, and employee-related expenses.

Over the past few legislative sessions, ATAP received an increase in funding to eliminate the waitlist for children. Specifically, a budget enhancement of $5.4 million was approved during the 2019 Legislative Session to address children waiting for services because of funding, but this amount went unspent as the distribution of participants started to shift from full coverage to Insurance Assistance plans. However, as discussed in a later section of this report, delays in receiving services continue to be problematic for families as providers have limited capacity to accept new patients.

Exhibit 4 shows the trends in program participation for ATAP's most costly plans over the last 5 years.

Participant Trends in ATAP Programs **Exhibit 4**
Comprehensive, Targeted Extensive, and Insurance Assistance
Fiscal Years 2016 to 2020



Source: Auditor prepared based on ATAP expenditure information.

As shown in Exhibit 4, ATAP pays significantly more for children on fully-funded plans. The average cost to cover a child on the Comprehensive plan was over $24,000 in 2020. Conversely, ATAP's yearly limit is $8,400 for those receiving Insurance Assistance. As more private insurance plans have accepted ABA as a treatment option, ATAP's distribution of children in plans has changed and expenditures have declined accordingly.

Medicaid Fee-for-Service Providers Billed for Unreasonable Service Hours

Our analysis of fee-for-service Medicaid claims for autism treatment services found unreasonable and possibly fraudulent claims paid. Specifically, too many hours were charged for a single day. We found nearly 1,000 of 113,000 days for individual providers in which 24 or more hours were billed. Claims, some of which may overlap between providers and children, totaled about $6 million since fiscal year 2016 for excessive service hours; but, we could not calculate an overpayment because we could not determine what portion of each claim was legitimate, if any. The Medicaid system does not have adequate system controls such as edit checks to detect providers billing an unreasonable number of hours in a day for autism services.

Some of the overbilling problems described in this report may be the result of provider fraud, while others may be unintentional errors. Fraud involves obtaining something of value through willful misrepresentation. Government auditing standards state that whether an act is, in fact, fraud is determined through the judicial or other adjudicative system and is beyond auditors' professional responsibility. Therefore, as required by NRS 218G.140(2), we reported this information to the Governor, each Legislator, and the Attorney General. See Appendix D on page 48 of this report.

Providers Billed for an Unreasonable Number of Hours in a Day

Our review of Medicaid fee-for-service claim data showed providers billed and were paid for 15 or more service hours in a single day on over 3,000 occasions since 2016. Claims totaled $3.9 million with 56% of that paid to four provider groups. We used 15 hours in a day as a limit, because it is highly unlikely individual providers are working during nighttime hours or more than 15 hours a day.

Nearly 3% of all claims were for excessive hours in a single day. This includes all licensed professionals providing service. Medical groups bill for services each individual provider renders in a day, which can include services to several children for therapy sessions, supervision, or treatment planning. Claim data shows medical groups consistently billed for excessive hours with hundreds of days in which hours totaled 15 or more for an individual provider. Exhibit 5 shows the individual providers with the most days of excessive hours billed from 2016 to 2020. We have included information regarding all 77 individual providers and the number of times daily billings totaled 15 hours or more in Appendix C on page 46.

Top Five FFS Providers With Excessive Services Per Day **Exhibit 5**

Provider	Number of Excessive Service Dates	Average Hours Billed Per Day	Total Payment
A	473	26.71	$ 469,205
B	440	24.09	415,537
C	422	23.23	1,078,243
D	206	21.25	171,975
E	189	26.07	189,546
Totals	**1,730**		**$2,324,506**

Source: Auditor analysis of Nevada Medicaid claim data.

Of the 3,189 total days in which 15 hours or more were billed and paid, the majority ranged between 15 and 20 hours for the day. However, in 31% or 998 instances, the total hours in the day was 24 hours or more. To determine the total number of hours billed in a day we compiled claims by provider for each day which typically included claims for multiple children. Exhibit 6 shows the 5 days in which the most hours were paid to a single provider of which four are the same provider.

Top Five Dates With Excessive Services Paid **Exhibit 6**

Service Date	Number of Children	Total Service Hours Paid	Total Payment	Average Hourly Rate
6/04/2019	11	65.25	$2,420	$ 55.05
7/09/2019	10	57.25	2,281	51.85
5/21/2019	10	56.25	1,938	39.38
12/27/2019	10	56.00	5,710	109.65
7/16/2019	10	54.00	$1,823	$ 39.38

Source: Auditor analysis of Nevada Medicaid claim data.

We reviewed some of the most significant exceptions and found hours were comprised of several claims for various children and services paid to a single provider. Exhibit 7 provides the detail for one provider for a single day.

Date With Most Service Hours Paid **Exhibit 7**

Service Date	Child	Procedure	Total Service Hours Paid	Total Payment	Hourly Rate
6/4/2019	Child 1	ABA – Technician	8.00	$250	$31.28
6/4/2019	Child 2	ABA – Technician	6.00	188	31.28
6/4/2019	Child 2	ABA – Health Professional	0.50	60	120.40
6/4/2019	Child 3	ABA – Technician	3.50	109	31.28
6/4/2019	Child 3	ABA – Health Professional	0.75	90	120.40
6/4/2019	Child 4	ABA – Technician	6.00	188	31.28
6/4/2019	Child 5	ABA – More Than One Provider	5.00	157	31.28
6/4/2019	Child 6	ABA – Technician	5.50	172	31.28
6/4/2019	Child 6	ABA – Health Professional	2.00	241	120.40
6/4/2019	Child 7	ABA – Technician	2.00	63	31.28
6/4/2019	Child 8	ABA – Technician	8.00	250	31.28
6/4/2019	Child 9	ABA – Technician	7.00	219	31.28
6/4/2019	Child 10	ABA – Technician	3.00	94	31.28
6/4/2019	Child 11	ABA – Health Professional	1.00	120	120.40
6/4/2019	Child 11	ABA – Technician	7.00	219	31.28
Totals			**65.25**	**$2,420**	

Source: Auditor analysis of Nevada Medicaid claim data.

We discussed our analysis with Nevada Medicaid who concurred with our results. Nevada Medicaid has a unit specifically dedicated to identifying and investigating inappropriate or fraudulent claims. Autism treatment claims should be investigated by this unit and overpayments recovered as necessary. In addition, Nevada Medicaid should communicate relevant information, including potential fraud to the Office of the Attorney General.

Limits Needed for Daily Autism Services

We also reviewed fee-for-service claims for services provided to individual children and found 3,602 instances where the amounts billed exceeded 10 or more hours for a particular day. These claims totaled $2.2 million over the 5-year period. The vast majority of claims ranged between 10 and 15 hours and included billings from multiple individual providers, generally billed from the same provider group. Not all claims are specifically for treatment as services can include supervision and treatment planning. However, the majority of service hours are for one-on-one RBT treatment.

Within the 3,602 instances, we found 214 unique children where services billed and paid were for 10 or more hours in a day. Exhibit 8 shows those children with the most instances in which 10 or more hours were billed for a single day.

Top Five Children With Excessive Billings Per Day **Exhibit 8**

Child	Number of Excessive Service Dates	Average Hours Billed Per Day	Total Payment
A	273	12.14	$141,740
B	267	13.01	148,086
C	233	10.91	130,779
D	199	10.84	116,393
E	127	13.25	69,267
Totals	**1,099**		**$606,265**

Source: Auditor analysis of Nevada Medicaid claim data.

Sometimes children may receive lengthy treatment sessions in a single day when limitations exist in a family's availability or when therapy sessions need to be rescheduled. However, we used 10 hours as a threshold since therapy and other services rendered for a single day should not typically exceed this amount. Services may include different individual providers for various procedures. Exhibit 9 provides an example and reflects the child with the most hours billed and paid in a single day.

Date With Most Services Paid **Exhibit 9**

Service Date	Provider	Procedure	Total Service Hours Paid	Total Payment	Hourly Rate
5/13/2020	Provider 1	Family Adaptive ABA	1	$ 85	$ 84.68
5/13/2020	Provider 1	ABA – Health Professional	5	602	120.40
5/13/2020	Provider 2	ABA – More Than One Provider	8	250	31.28
5/13/2020	Provider 3	ABA – More Than One Provider	8	250	$ 31.28
Totals			**22**	**$1,187**	

Source: Auditor analysis of Nevada Medicaid claim data.

Nevada Medicaid has not adequately reviewed claims for autism treatment as part of their oversight of medical expenditures even though behavioral health claims are considered higher risk for inappropriate payment. Additionally, there are few system controls to limit the number of service hours billed and paid in a

single day. Clearly, individual providers are unable to work more than 24 hours in a day. Nevada Medicaid needs to determine an appropriate number of service hours for a given day for both individual providers and children to prevent inappropriate payments in the future. Any claims in excess of the limit can be manually reviewed and paid if found to be valid.

Nevada Medicaid Did Not Detect Inaccurate Data Provided by Managed Care Organizations

Nevada Medicaid did not have complete and accurate data from managed care organizations regarding autism services to ensure care was appropriate. Nevada Medicaid should be monitoring services through health claim information submitted to them from managed care organizations, known as encounter data, to ensure care provided is appropriate. We requested this information for children with autism serviced through managed care organizations and found inaccuracies. Specifically, we found encounter data had the following problems:

- Claim information only included service time billed and not the service time paid,
- Data included medical procedures other than autism therapy when it should not have, and
- Information provided directly by managed care organizations did not always agree to encounter claim information.

It is important to receive claim information based on paid amounts as billings are often adjusted prior to payment by insurance providers. These errors existed in Nevada Medicaid's information system because Nevada Medicaid is not reviewing encounter claim data submitted by managed care organizations for accuracy and appropriateness.

Managed care organizations are required by contract to submit accurate encounter claim data and are required to assist in ensuring data validity. Without accurate claim data, we were unable to rely on and utilize this data to determine service hours provided for autism related services as noted on page 7. As such, we could not verify if services rendered appeared reasonable

without obtaining information directly from these organizations. Moreover, based on the inaccuracies noted, Nevada Medicaid could not utilize this information to ensure children receive adequate care.

Inadequate Review and Documentation of Certain ATAP Expenditures

ATAP does not have sufficient controls to ensure payments made to providers for the Insurance Assistance plan are always appropriate. In addition, the agency does not have a consistent method of obtaining and retaining documentation to support amounts paid. Therefore, we could not determine whether amounts paid to providers were proper for children on ATAP's Insurance Assistance plan. In fiscal year 2019, ATAP paid providers approximately $1 million on behalf of families to cover deductibles and copays.

For 39 expenditure amounts requested, ATAP could not provide documentation supporting 24. Furthermore, we requested reconciliations for 6 overpayments, but the agency could not readily provide documentation indicating a reconciliation had been performed. Because we could not review documentation, we could not determine the accuracy of amounts paid or quantify a payment error.

Documentation and reconciliations are important, because ATAP pays providers a set amount each month on behalf of children's families. This amount can cover deductibles and copays that the child's private insurance does not cover. Even though the program typically pays providers a set amount each month, actual deductibles and copays are dependent upon amounts billed to insurance companies and other medical events not known to ATAP at the time payments are made. Because of this, parents are required to submit explanation of benefits forms to ATAP each quarter. ATAP should perform periodic reconciliations with this documentation to ensure prepayments made were appropriate and should request repayment, when appropriate.

ATAP does not have a standardized process for requesting, storing, and retrieving documents or ensuring reconciliations are performed. Internal control standards require entities commit to assuring only valid transactions are authorized and that

transactions and other significant events are documented and readily available for examinations. This is important to ensure program integrity and the availability of funds for current and future children in the program.

Information Provided to Legislature Overestimated Costs of Increasing ABA Reimbursement Rates

Fiscal notes provided by Nevada Medicaid and ATAP overestimated the costs for a proposed rate increase for autism therapy services in Senate Bill 174. Agencies' estimates were based on unreasonable assumptions. These problems occurred because agencies did not have adequate controls to ensure information submitted is appropriate and used universal templates without considering program specific factors when estimating the fiscal impact of proposed legislation.

Senate Bill 174, as introduced, included a rate increase for RBTs from $31.28 to at least $48.00 per hour. As such, fiscal notes were prepared by each agency regarding the impact the rate increase would have on each agency's budget. Exhibit 10 compares each agency's calculation of the rate change impact to the recalculated costs.

Fiscal Note Cost Projection **Exhibit 10**
Senate Bill 174 of the 2019 Legislative Session

Agency	Time Period	Agency Projected Costs	Recalculated Projected Costs	Differences	Agency Cost Overestimation
Medicaid	2020	$2,958,626	$1,232,761	$1,725,865	58%
	2021	3,068,897	1,254,419	1,814,478	59%
	Future Biennia	$6,137,794	$2,532,682	$3,605,112	59%
ATAP	2020	$1,496,457	$1,155,501	$ 340,956	23%
	2021	2,479,024	1,552,323	926,701	37%
	Future Biennia	$5,202,838	$3,104,647	$2,098,191	40%

Source: Auditor analysis of Nevada Medicaid and ATAP fiscal note support.

Nevada Medicaid's fiscal note overestimated the cost related to servicing children in managed care. Nevada Medicaid estimated the cost based on servicing double the number of children in the fee-for-service program. However, based on participant information specifically related to autism, managed care organizations only service about 25% of the fee-for-service caseload. Nevada Medicaid staff indicated the managed care

multiplier of two was standard in any fiscal note calculation and based on general participant information.

ATAP's estimate of costs calculated a cost impact for children on the waitlist. While it may be prudent to estimate caseloads based on expected service levels, those children waiting for services do not incur costs. Furthermore, ATAP's waitlist caseload projections for this fiscal note appear unreasonable in comparison to actual 2020 numbers. ATAP's estimated costs assumed the waitlist would increase from 24 to 480 children over the biennium.

RBTs provide the majority of therapy services to children with autism. As noted later in this report, the reimbursement rate for RBTs impacts provider capacity related to Medicaid and ATAP children as providers limit the number of children served.

Accurate information is essential for lawmakers to make appropriate decisions about limited resources. As such, agencies should develop additional controls to ensure information provided in fiscal notes is based on reasonable assumptions.

Recommendations

1. Nevada Medicaid should determine reasonable limits to the number of service hours in a 1-day period for both providers and children.
2. Nevada Medicaid should develop system edits to prevent claims with excessive service hours.
3. Nevada Medicaid should further investigate claims with unreasonable service hours and identify and recover overpayments, and refer potential fraud to the Office of the Attorney General.
4. Nevada Medicaid should develop a process to routinely review encounter claim data including procedures to ensure data submitted is accurate and services provided to children are appropriate.
5. ATAP should establish a process and additional controls to ensure reconciliations for Insurance Assistance plan payments are completed, accurate, and timely.

6. ATAP should develop a centralized process to obtain and retain documentation from Insurance Assistance plan participants.
7. ATAP and Medicaid should establish additional monitoring and review controls to ensure information submitted to the Legislature is based on reasonable assumptions specific to the relevant program.

Opportunities to Assist Families Obtain Timelier Diagnosis and Treatment

Families frequently struggle in Nevada to obtain timely services for their children with autism. The lack of providers serving children with autism in the State contributes to some of the struggle. Nevertheless, there are opportunities for ATAP to assist families in obtaining more timely diagnosis and to reduce the time between diagnosis and the start of treatment. Assisting families in getting more timely services is critical to improving the outcomes of children with autism.

Limited Assistance and Information Contributes to Delayed Diagnosis

ATAP currently helps families once children have been formally diagnosed with autism documented through a school-based IEP or medical diagnosis. However, many families surveyed indicated the process of obtaining a formal autism diagnosis needed to meet criteria to receive ABA treatment is difficult. Obtaining a diagnosis often takes several months and, in some cases, even longer. Providing families additional assistance to help them obtain a diagnosis, including information about available providers, can reduce the time needed to obtain a diagnosis and ease parental stress and concern.

Explanation of Process to Obtain Services

The multi-step process for families to receive ABA treatment begins with the challenge of receiving a diagnosis. Families face potential delays and difficulties at each step which contribute to parental stress and frustration and could prevent children from receiving services. The steps involved in receiving services for a child with ASD include the following:

1. Obtaining an Initial Diagnosis – Parents who have concerns about their child's development have to seek out

an appointment with a pediatrician for either an initial diagnosis or a referral to a specialist.

2. Obtaining a Comprehensive ASD Diagnosis – Parents need to schedule an appointment with a specialist if their pediatrician is unable to provide a diagnosis or if their insurance coverage requires a neuro-psychological evaluation.

3. Establishing Care With a BCBA and Scheduling Evaluations or Assessments – Once a child has received a diagnosis, parents need to schedule an initial appointment with a BCBA for an evaluation and assessment of the child's behaviors. Through this evaluation and assessment, the provider determines the treatment plan and number of hours of therapy appropriate for the child's needs.

4. Beginning One-to-One ABA Treatment With an RBT – Once an assessment and evaluation have been completed, a child is ready to begin receiving ABA treatment with an RBT. The RBT will implement the child's treatment plan as developed by the BCBA and work towards established goals.

Medicaid and ATAP accept an ASD diagnosis from any physician, physician's assistant, advanced practice registered nurse, or psychologist acting within their scope of practice. However, providers may not perform comprehensive evaluations for ASD since it is time consuming and requires training and experience to be considered acting within their scope of practice. Since there is no standard set of criteria to be used by either the Board of Medical Examiners or the Board of Psychological Examiners to determine who has the appropriate training and expertise for diagnosing ASD, individual providers themselves determine if they have sufficient education, training, and experience to act within their scope of practice in performing a diagnosis for ASD. Because of this self-determination, and the lack of registry of medical professionals that are able to diagnose ASD, families may

not know who to turn to in order to receive a diagnosis for their child.

Opportunities to Assist Families Obtain Timelier Diagnosis
Families generally lack support from state agencies prior to children obtaining an autism diagnosis. A lack of comprehensive information about programs, requirements, and step-by-step guidelines on the diagnosis and treatment process is a barrier for all families who suspect their child may have ASD. No agency or licensing body maintains a list of providers who diagnose ASD. ATAP refers parents to just one provider in northern Nevada and one in southern Nevada. However, our review of a sample of Medicaid forms indicated a variety of providers performed diagnoses over the last several years.

Extent of Difficulties Regarding the Diagnostic Process
Our survey of families revealed the extent of the difficulties faced by families concerning the process of getting a diagnosis for their children. Fifty-one of 118 (43%) families responding to our survey indicated obtaining an ASD diagnosis for their child was either hard or very hard. Additionally, 72 of 118 (61%) respondents to our survey indicated they had to wait more than 4 months to obtain an ASD diagnosis for their child. One parent that we spoke with faced a lengthy delay when their only option for a diagnosis was to pay $2,000 out-of-pocket to see a provider. Another parent said they chose to travel to another state to see a provider for a diagnosis to avoid lengthy wait times in Las Vegas.

To assist families in obtaining a timelier diagnosis, ATAP should compile a list of medical providers providing recent diagnoses. Moreover, ATAP should provide guidance to families to navigate the diagnostic process, including the steps involved in the process and the types of evaluations and time needed.

Assistance Needed to Obtain Timelier Treatment

Families also face challenges in obtaining treatment for their children once they have received an autism diagnosis. Delays in starting treatment range from several months to over a year. Although these delays have been declining recently, there are opportunities for ATAP to reduce the time further between

diagnosis and treatment. More timely treatment of children is critical to improving their outcomes.

Delays in Getting Treatment Are Significant, But Declining

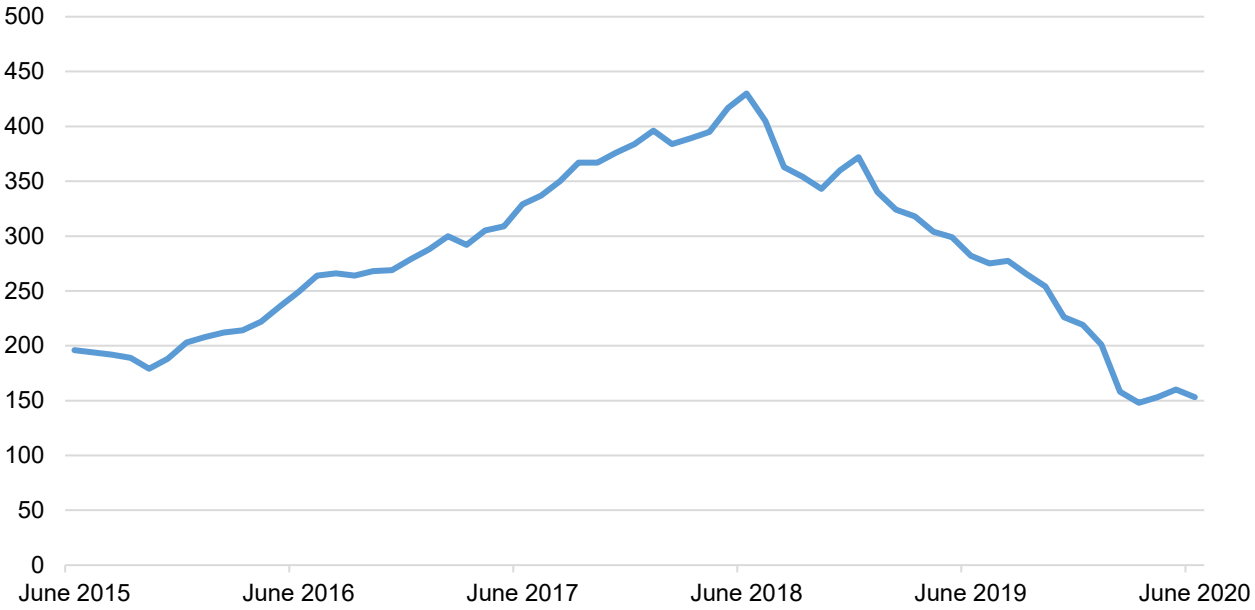
Delays in getting services are a major challenge for parents seeking ABA treatment for their children. In our survey of caregivers of children with ASD in ATAP plans, waitlist issues were the most frequently mentioned barrier (19 of 90 responses or 21%). Providers confirmed capacity issues with 75 of 85 (88%) indicating their practice has a waitlist, and 48 of 71 (68%) of those respondents stating their practice had more than 10 children on the waitlist.

Time spent on the waitlist is considerable for many children. Our survey revealed 40 of 73 (55%) providers indicated the waitlist for their practice was more than 4 months. Of the 73 providers, 13 (18%) indicated their waitlist was greater than a year.

An ATAP June 2020 report noted the average time for children on the ATAP waitlist was 153 days. ATAP's wait time calculates the time from when a child has completed their ATAP application, which requires that they already have a diagnosis of ASD, to the date at which a provider accepts a child for future services. The wait time does not include any time that families wait to obtain a diagnosis, the time from a diagnosis to when a family completes an ATAP application, or the time from when a provider accepts a patient to the actual date of the first appointment.

Exhibit 11 shows ATAP's average wait times from fiscal year 2016 through fiscal year 2020.

Average Days on ATAP Waitlist **Exhibit 11**



Source: Auditor prepared based on ATAP waitlist report.

Note: This waitlist includes children on all ATAP plan types. In addition, the waitlist encompasses time from when an application is returned and a child qualifies for ATAP until a provider commits to taking on the child for services.

ATAP has indicated children do not wait for services because of budgetary funding. Yet, many children are waiting at any given time for treatment to begin. Exhibit 12 shows the average number of children on the waitlist for ATAP services by fiscal year.

Average Number of Children on ATAP Waitlist by Fiscal Year **Exhibit 12**

	Fiscal Year				
	2016	**2017**	**2018**	**2019**	**2020**
Average Number of Children on ATAP Waitlist	542	596	560	425	266

Source: Auditor analysis of ATAP waitlist report.

As noted previously, ATAP received an additional $5.4 million for fiscal years 2020 and 2021 to eliminate the waitlist. However, our analysis indicates provider capacity is the main reason why children wait for treatment services currently. ATAP indicated budget reductions as a result of the COVID-19 pandemic may result in children waiting longer due to funding limitations.

Opportunities to Assist Families Obtain Timely Treatment
Currently, families do not receive assistance in identifying and securing therapy providers once children receive a formal diagnosis. Limited capacity means children wait for openings in provider schedules, with placement dependent upon luck and caregiver tenacity. Furthermore, older children or those with more difficult behaviors may wait longer because providers can be selective and after school service hours are highly coveted. ATAP can help families by assigning case managers earlier, actively assisting in identifying providers, monitoring the availability of treatment providers, and identifying those waiting for services with the greatest need.

Once a child has received a diagnosis, the caregiver must call various providers to find one willing and able to treat their child. ATAP staff follow up with caregivers once every 30 days to check on the caregivers' progress in finding a provider. Many caregivers we spoke with said it was up to them to contact as many providers and get on as many wait lists as possible, and to follow-up with providers. There are many factors that determine how soon an individual will be able to begin ABA therapy, including, age, level of aggression, insurance, and availability for appointments. Provider preference may also affect placement, but it may also be due to caregiver diligence in calling various providers to place their child.

ATAP case managers specialize in ensuring children with autism receive appropriate services and are better suited and knowledgeable than caregivers about provider services and availability. Yet, ATAP does not assign case managers prior to children finding a provider, nor do they formally monitor provider availability to assist families. By assigning a case manager earlier, ATAP and caregivers can work together to find a provider in the least amount of time possible.

Finally, ATAP should establish a process for prioritizing children waiting for services based on need. ATAP previously informally prioritized children for placement with a provider. However, ATAP did not have a standardized process to ensure consistency with how priority was assigned to children and did not actively assist

families with identifying the most suitable provider based on the child's needs. Without improvements in these areas children with the most difficult behaviors who need treatment the most may wait longer to start treatment.

Other Factors Cited by Survey Participants Preventing Timely Treatment

From our survey of families and providers, there are other factors contributing to children waiting for autism treatment in Nevada. These factors are more challenging to address. However, out of respect for those responding to our survey, we wanted to acknowledge these concerns and bring attention to them.

Available Treatment Hours for Children Attending School Are Limited

A contributing factor to lengthy wait times is the high demand for after school appointments. Because ABA treatment is difficult to provide while children are in school, most parents seek appointments after school hours from about 3 p.m. to 7 p.m. Seventy-one of the 118 primary caregivers (60%) who responded to our survey question indicated they usually scheduled ABA services from 3 p.m. to 7 p.m. In addition to contributing to difficult hours for RBTs to work, this limits the number of children that providers in the state can service. Providers have indicated that they can often schedule appointments for children without a wait if the family can schedule morning or daytime appointments, but this is not an option for many families.

High Turnover of Treatment Staff Cause Additional Delays

Maintaining care from a single provider over time is another ongoing problem parents of children with ASD face that contributes to delays in service and parental stress and frustration. RBT turnover in the State is high, and many parents complained about losing RBTs who worked well with their family. Five of the 10 RBTs we interviewed indicated they are preparing to become BCBAs, which will help increase the provider capacity in the State, but means that families will lose their RBTs as they transition into a new role as a BCBA.

Each transition to a new RBT creates a delay as the child must become accustomed to the new provider and as the new provider learns the needs and behaviors of the child. This situation can be

worse in rural areas of the State where there may not be another RBT who can begin working with a child in a timely manner.

Recommendations

8. ATAP should develop and publish specific guidance regarding how to obtain a diagnosis and Applied Behavior Analysis treatment for those inquiring about services.
9. ATAP should create and maintain a list of health care professionals qualified and performing diagnoses of Autism Spectrum Disorder.
10. ATAP should assign case managers to families as soon as program eligibility is determined.
11. ATAP should actively monitor provider availability and assist families in obtaining and selecting a suitable provider.
12. ATAP should develop a standardized process to identify children with the greatest need for immediate placement with Applied Behavior Analysis providers to expedite services.

Additional Autism Service Providers Needed to Meet Treatment Demands

Nevada does not have a sufficient provider base to adequately provide Applied Behavior Analysis therapy to all children with autism who medically require services. While the number of providers has increased in recent years, we estimate there are only enough providers to serve about two out of every three children who would most benefit from ABA services. Also, the Medicaid reimbursement rate for RBTs is significantly lower than private insurances resulting in providers limiting the number, if any, of Medicaid recipients they provide services to. While many factors influence the number of providers delivering medical services, our survey found RBTs face challenges in the workplace that may contribute to limited capacity.

ABA Provider Network Expanding, But Additional Providers Needed

While the number of licensed ABA providers in Nevada significantly increased between August 2019 and October 2020, many children continue to wait several months before receiving treatment, because providers do not have openings in schedules to accept children right away. Between August 2019 and October 2020, the number of licensed providers increased by 64%. The Board of Applied Behavior Analysis began licensing treatment providers in January 2019, taking over licensure responsibilities from the Board of Psychological Examiners. Over the last few years, the number of providers has steadily increased as more insurers, including Nevada Medicaid, support ABA therapy as a treatment option for autism. However, the number of providers is still not sufficient to provide service to those wanting service, as evidenced by waitlists, but also for those who would benefit from but are not seeking treatment.

Based on licensing information only, which does not necessarily represent those providing services as some may be licensed but leave the workforce, Nevada has over 1,600 professionals trained in ABA therapy techniques. Exhibit 13 provides a breakdown by provider type. Additional detail regarding the location of providers can be found at Appendix E on page 50.

Growth in ABA Providers **Exhibit 13**
August 2019 Through October 2020

Date	BCBA	BCaBA	RBT	Totals
August 2019[(1)]	189	20	778	987
October 2020[(1)]	292	34	1,290	1,616
Percent Increase	**54%**	**70%**	**66%**	**64%**

Source: Auditor prepared based on Board of Applied Behavior Analysis licensee data.
(1) Dates of reports received from the Board of Applied Behavior Analysis.

Estimating the Number of Providers Needed to Address Children's Needs

We estimate the number of licensed ABA providers in Nevada can meet the needs of about two of every three children with autism that could benefit from ABA treatment. While there is no way to definitively determine the population of children with autism in Nevada, the level of service each child might need, or the amount of ABA services providers can deliver, we used various sources and made various assumptions to develop our estimate. Sources included Nevada Department of Education reports on the number of children with autism and hours spent in the regular classroom, recommended provider caseload ratios, survey results on the number of weekly RBT hours, and data we compiled on the number of treatment hours delivered by providers.

Exhibit 14 provides a comparison between the number of BCBAs and RBTs needed to provide treatment for the estimated 6,000 children that could have the greatest need and therefore would receive the most benefit from ABA services.

Estimated Number of BCBAs and RBTs Needed to Provide ABA Services **Exhibit 14**

Percentage of Estimated Treatment Population	Children[3]	Estimated Caseload BCBA[1] 12	Estimated Caseload RBT[2] 3
100%	6,000	500	2,000
75%	4,500	375	1,500
Number of Providers in Nevada as of October 2020		*292*	*1,290*
50%	3,000	250	1,000
25%	1,500	125	500

Source: Auditor prepared based on licensing guidelines, ATAP average service hours, our survey of providers, and Nevada Department of Education classroom participation data.

[1] BCBA caseload ratios based on Behavioral Analyst Certification Board guidelines.

[2] RBT caseload ratios based on average hours of treatment per child and our survey of providers.

[3] Estimated number of children likely benefiting from ABA treatment based on the percentage and time spent in the regular classroom.

Estimated Percentage of BCBA Caseloads

The Behavior Analyst Certification Board guidance specifies BCBA caseloads should be between 6 and 24 children assigned to each BCBA. This is based on the severity of the child's autism disorder and the number of BCaBAs available to assist. Specifically, the Board recommends the following caseload ranges:

Comprehensive (more severe):

- Without a supporting BCaBA – 6 to 12 children
- With a supporting BCaBA – 12 to 16 children

Focused (less severe):

- Without a supporting BCaBA – 10 to 15 children
- With a supporting BCaBA – 16 to 24 children

As Nevada only has enough BCaBAs to provide support to 12% of BCBAs, the recommended BCBA caseload tends to be smaller at 12 children.

RBT Caseload Estimates

For fiscal year 2020, the average number of weekly RBT hours for children covered by ATAP was 7.8. Based on this and the average number of weekly working hours RBTs reported in our survey of about 30, an RBT would be able to assist approximately 3 children per week. In addition, RBTs reported their average caseload as three to four children.

Children Most Likely to Benefit From ABA Therapy

Because autism is a spectrum disorder, we estimated those children likely to benefit from therapy based on the time a child spends in the regular classroom. Children in the regular classroom for a smaller percentage of the day are more likely to require ABA services than those that spend much of the day in the regular classroom. From this information, we estimate about 6,000 (67%) of the 9,000 children with an autism specific IEP could likely benefit the most from ABA and could seek treatment.

While the number of providers has been increasing over the past few years, only about two-thirds of children can be adequately served as providers face challenges as well. As discussed in this report, children receiving Medicaid assistance wait almost a year to begin treatment with a service provider.

Many ABA Providers Do Not Accept Medicaid

The shortage of ABA providers for children with Medicaid is worse than for children with private insurance since only about a third of licensed ABA providers served Medicaid children in fiscal year 2020. Consequently, children covered by Medicaid and ATAP programs wait for treatment to begin longer than children with private insurance. The providers who deliver the majority of one-on-one therapy, RBTs, are paid half the rate by Medicaid and ATAP that private insurers pay. There are many factors that affect if a provider will treat a particular child, but provider groups indicated they consider reimbursement rates when filling openings. In addition, providers indicated the process for being enrolled in Medicaid is burdensome and takes considerable time.

Our analysis of paid claims in 2020 found only 37% of ABA providers licensed in Nevada provided services to children with Medicaid. Providers are not required to be enrolled with Medicaid

or serve Medicaid eligible children with autism. Furthermore, 25% of providers indicated in our survey that they limit the number of Medicaid children they serve. Exhibit 15 shows the number of licensed ABA providers, the number of providers enrolled in Medicaid, and the number of providers that served Medicaid eligible children in fiscal year 2020.

ABA Providers Licensed Versus Number Serving Medicaid Children Exhibit 15
Fiscal Year 2020

ABA Providers Licensed in Nevada	ABA Providers Enrolled in Medicaid	Percentage of Licensed Providers Enrolled	Actual Number of Providers Serving Medicaid Children	Percent Performing Services for Medicaid Children
1,616	1,010	63%	598	37%

Source: Auditor prepared from Nevada Medicaid provider enrollment data and claim data, and Board of Applied Behavior Analysis licensee data.

Children on Medicaid Wait Longer to Begin Treatment

Our analysis of wait times found children covered by Medicaid and ATAP were on waitlists longer than children with private insurance. Children wait longer to solidify a provider as both agencies pay providers the same reimbursement rate. The wait time is the number of days from when ATAP accepts an application for a child until the date that a provider accepts a child as a client. Children on Medicaid and ATAP plans were on the waitlist an average of 351 days (38% longer) compared to those with private insurance who waited an average of 253 days.

Medicaid Pays Less Than Private Insurers

The Nevada Medicaid reimbursement rate for RBTs is significantly lower than the rate paid by private insurance. Planned reductions to Medicaid rates would further reduce rates as a result of COVID-19 related budget cuts. RBTs are the primary provider of one-on-one treatment services for children with autism. Based on the much higher rate for private insurance reimbursement, providers have a greater monetary incentive to serve children with private insurance than those with Medicaid.

A limited review of provider rates paid by private insurers found Medicaid rates for BCBA were similar, while RBT Medicaid rates were about 50% lower. Our review was limited because

insurance companies consider their rates proprietary information and most were not willing to provide the rates to us. Exhibit 16 provides a comparison between BCBA and RBT private insurer and Medicaid reimbursement rates.

Comparison of Nevada Medicaid Rates to Private Insurers **Exhibit 16**

	Private Insurers' Rate (Average)	Medicaid Rate[1]	Difference
BCBA	$118.95	$120.40	($1.45)
RBT	$62.01	$31.28	$30.73

Source: Auditor prepared based on Nevada Medicaid rate and auditor analysis of explanation of benefits information.

[1] This rate does not reflect the 6% decrease in Medicaid rates pending Centers for Medicare and Medicaid Services approval that should be decided by the end of 2020 and will be applied retroactively from August 15, 2020.

Providers Indicate Rates Do Not Cover All Costs

Provider groups indicated Medicaid reimbursement rates do not cover all costs associated with employing RBTs. In response to our survey, the average hourly rate paid to RBTs was about $19. This leaves less than $13 to cover other provider group costs. Other costs include, but are not limited to, the following:

- Employee benefits,
- Administrative and overhead costs,
- Billing claims to Medicaid,
- Licensing and registration fees,
- Initial and ongoing professional training, and
- Travel reimbursement.

An increase in the RBT reimbursement rate would help Medicaid compete for a limited number of providers. Additionally, provider groups would be better equipped to provide initial and ongoing training for RBTs, a common complaint found in our survey.

For Possible Action by the Legislature

As funding becomes available, or when the Legislature deems appropriate, the Legislature may want to consider directing Nevada Medicaid to increase the reimbursement rate for RBTs to reflect more closely the rates paid by other insurance coverage entities in the State.

Medicaid Enrollment Process for Providers Is Burdensome

The provider enrollment process can take several months. For providers to be reimbursed by MCOs for ABA therapy, providers must complete an initial enrollment with Medicaid FFS even if they do not plan to provide services to Medicaid FFS patients. After this initial enrollment, providers can enroll with managed care organizations. Each MCO has specific enrollment requirements, resulting in up to three separate applications. Nevada Medicaid staff indicated the process can take anywhere from 3 months to a year to enroll with both Medicaid and MCOs.

For ATAP, the provider enrollment process involves the approval of the State Purchasing Division, ADSD, the Board of Examiners, and then back to ADSD for final approval. ATAP management indicated this process takes about 6 months.

Additional Factors Cause Shortage of Treatment Providers

While state agency policies and processes impact provider capacity, other factors also impact the number of working providers. Our survey of RBTs revealed additional factors contribute to the shortage of providers as RBTs indicated they face many challenges while providing ABA treatment. These included issues that may lead to burnout and a high turnover rate. While each respondent did not reply to every question, the following were two of the most common responses:

- 149 of 188 (79%) RBTs indicated they do not receive any reimbursement when a client cancels with less than 24-hours notice. To avoid a reduction in pay, RBTs often need to work additional hours toward the end of the week.

- 241 of 278 (87%) RBTs reported the busiest time of the day is from 3 p.m. to 7 p.m. This creates challenges between personal and family needs. School districts each

have their own rules regarding student absences; however, if more children enrolled in schools are available to receive ABA therapy during the day, it would alleviate the 3 p.m. to 7 p.m. time crunch for ABA therapy. Since children are not typically able to obtain services during school hours, it significantly reduces the number of hours providers are able to provide ABA therapy.

Interagency Communication Critical to Enhance Treatment Delivery

While state and local agencies coordinate efforts to some extent, improved communication will enhance outcomes, ease transitions, and result in more robust delivery of services for families of children with autism. School districts can begin providing Medicaid reimbursable services, which allows children to receive ABA during the school day, and also provides additional federal funds to help offset the costs. In addition, improved communication between ATAP and Nevada Medicaid will result in better services for children by providing targeted case management and additional federal funds for ATAP.

Ongoing Communication Needed Between Nevada Medicaid and School Districts

A significant barrier to school-aged children receiving ABA therapy services is the time spent in school. Medicaid's state plan amendment, authorizing school districts to bill for ABA therapy services, has the potential to enhance districts' ability to meet the needs of children with autism. Many school districts have programs designed to provide therapy and assistance to school-aged children during the school day; however, these services may not be medically necessary as required for Medicaid reimbursement. Medicaid has been providing school districts with the necessary knowledge of what is allowable to bill under ABA services and intends to provide additional support in the implementation of this plan amendment to provide children more comprehensive services.

The state plan amendment was approved in October 2019 and requirements for school district ABA services were incorporated into Medicaid policies in March 2020. According to Nevada Medicaid, school districts will receive reimbursement for ABA services provided by licensed school district staff, or through

contracts with outside ABA providers working with children during the school day.

Several school districts have been billing Medicaid for speech, physical, occupational, and other therapies. While some school districts plan to bill for ABA therapy, others do not. Specifically:

- Nine school districts plan to bill for autism therapy. Some therapy will be provided by school district staff while others will be provided through outside contractors. School districts planning to bill for autism services account for 93% of children with an autism specific IEP.

- Eight school districts currently do not plan to bill Medicaid for autism therapy.

Six of the school districts planning to provide ABA services have at least one BCBA on staff and will be able to begin billing for Medicaid ABA services. In addition, with the needed BCBA supervision available, they are uniquely prepared for paraprofessionals to become certified RBTs further enhancing the districts' ability to assist children with ASD and receive additional funding. See Appendix F on page 51 for a breakdown of each school district's decision regarding billing Medicaid for ABA therapy.

Some districts elected not to bill Medicaid because of low numbers of Medicaid eligible children. In addition, school districts cited challenges with implementing ABA programs without licensed school district staff. Finally, school districts voiced concerns with allowing outside providers on district campuses without training in school district policies, expectations, and emergency and safety protocols. The decision to participate in ABA programs is unique to each district which must weigh various factors in deciding whether ABA or other ASD therapy is in the best interest of their students and the district.

As this is a new opportunity, communication with Nevada Medicaid, NDE, and school districts will be critical for the success of ABA services. This will be particularly helpful as school districts seek ways to more fully utilize over 7,000 staff members that help

children with special needs succeed. These include special education teachers, counselors, psychologists, and paraprofessionals who meet many of the requirements to become a BCBA or RBT.

Additional Coordination Needed Between Nevada Medicaid and ATAP

While ATAP actively case manages the majority of Medicaid FFS participants, on average about 14% did not receive case management services. Case management helps parents and children navigate provider and program policies, understand services provided, and assists families in obtaining the most appropriate services for each child. Since case management can be billed to Medicaid, ATAP can also receive additional revenue to offset costs associated with providing these services.

ATAP has a unique expertise and opportunity to provide targeted case management for children receiving autism services. Targeted case management assists children enrolled in Medicaid fee-for-service gain access to needed medical, social, educational, and other supportive services including:

- Assessment of the child,
- Development of a person-centered care plan, and
- Referral activities to help coordinate and follow-up on services.

In 2020, ATAP provided targeted case management to an average of 302 children per month; however, an additional 51 children per month were enrolled in Medicaid fee-for-service. While ATAP provided case management services to a majority of Medicaid participants, Medicaid did not regularly provide ATAP with a list of children receiving ABA services. Without this information ATAP cannot readily identify who can benefit from case management services.

As noted previously in this report, Medicaid participants have difficulty finding providers due to low reimbursement rates and providers limiting Medicaid participant capacity. ATAP's knowledge of providers and provider availability will increase the

likelihood of a timely placement in helping children receive the care they need.

Targeted case management services are reimbursable through Medicaid. In fiscal year 2020, ATAP received about $96,000 for services rendered to an average of 302 children per month. As ATAP's budget is largely supported by general funds, billing Medicaid for all available participants helps offset state funding needs.

Recommendations

13. Nevada Medicaid should continue working with the Nevada Department of Education and Nevada school districts on the implementation of the state plan amendment for school districts to receive Medicaid reimbursement for Applied Behavior Analysis services.
14. Nevada Medicaid should provide ATAP with contact information for new enrollees so ATAP can offer targeted case management to families.

Appendix A
Senate Bill 174 From the 2019 Legislative Session

Senate Bill No. 174–Senator Ohrenschall

CHAPTER 507

[Approved: June 7, 2019]

AN ACT relating to disability services; requiring the Legislative Auditor to conduct an audit of the Medicaid program concerning the delivery of certain services; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Department of Health and Human Services to administer Medicaid. (NRS 422.270) **Section 2** of this bill requires the Legislative Auditor to conduct an audit of the Department of Health and Human Services concerning the delivery of evidence-based services for persons with autism spectrum disorders during the 2019-2020 biennium.

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets [omitted material] is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. (Deleted by amendment.)

Sec. 2. 1. The Legislative Auditor shall conduct an audit during the 2019-2021 biennium of the Medicaid program, including, without limitation, Medicaid managed care programs, the Autism Treatment Assistance Program and any other program or services provided through the Department of Health and Human Services concerning the delivery of evidence-based services for children with autism spectrum disorders. The audit must include, without limitation:

(a) An analysis of the capacity of persons who provide such services and the wait times to receive such services;

(b) An identification and assessment of factors, including, without limitation, rates of reimbursement, lack of providers of services, procedures for authorization of services and delays in obtaining assessments and diagnoses, that inhibit access to and delivery of such services; and

(c) An analysis of revenues and expenditures relating to such services and any unspent money that has been appropriated for such services since July 1, 2015.

2. The Legislative Auditor shall present a final written report of the audit to the Audit Subcommittee of the Legislative Commission by not later than January 31, 2021.

Sec. 3. This act becomes effective upon passage and approval.

20~~~~19

Source: Nevada Legislature.

Appendix B
Acronym List and Glossary

Acronym	Name	Definition or Main Role with Autism Services
ABA	Applied Behavior Analysis	A treatment for Autism Spectrum Disorders involving changes in social and environmental events, including antecedent stimuli and consequences to produce practical and significant changes in behavior.
ADSD	Aging and Disability Services Division	An agency dedicated to the provision of effective supports and services to meet the needs of individuals and families, helping them lead independent, meaningful, and dignified lives. ATAP is a component of ADSD.
ASD	Autism Spectrum Disorder	A group of complex disorders of brain development that include Autism and Asperger's Syndrome. These disorders are characterized by difficulties in social interaction, verbal and nonverbal communication, and repetitive behaviors.
ATAP	Autism Treatment Assistance Program	A statewide program that provides assistance and funding to pay for evidence-based treatment for children diagnosed with Autism.
BACB	Behavior Analysis Certification Board	A nationwide nonprofit that has established uniform content, standards, and criteria for the credentialing process of ABA providers. The BACB protects consumers of behavior analysis by systematically establishing, promoting, and disseminating professional standards. To practice in Nevada, ABA providers must register with the Board of Applied Behavior Analysis and have completed all requirements set forth by the Behavior Analyst Certification Board.
BCaBA	Board Certified Assistant Behavior Analyst	These practitioners can provide one-on-one therapy to children with autism and are responsible for developing treatment plans and providing parent training, education, and strategies. They can provide and supervise behavior analysis services but must be supervised by a BCBA. To practice in Nevada, a BCaBA must have a bachelor’s degree with 180 classroom hours in content areas, including concepts, principles, and research methods in behavior analysis, and ethical and professional conduct. Additionally, 500 hours of intensive university practicum or 1,000 hours of supervised independent fieldwork are required.
BCBA	Board Certified Behavior Analyst	These practitioners supervise BCaBAs and RBTs in providing and coordinating treatment for children. To practice in Nevada, a BCBA must have a master’s degree in behavior analysis, education, or psychology; and 750 hours of intensive university practicum or 1,500 hours of supervised independent fieldwork.
CMS	Centers for Medicare and Medicaid Services	CMS is the federal agency responsible for oversight of Nevada's Medicaid program.
DHCFP	Division of Health Care Finance and Policy	The state agency responsible for administering the Nevada Medicaid program. It is located within the state's Department of Health and Human Services.

Appendix B
Acronym List and Glossary (continued)

Acronym	Name	Definition or Main Role with Autism Services
FFS	Fee-for-Service Medicaid	Nevada Medicaid provides insurance coverage to eligible individuals in rural counties in the state, individuals determined to have severe emotional disorders, and individuals receiving Supplemental Security Insurance via a direct fee-for-service model. Under the fee-for-service model, providers enrolled with Medicaid are paid for each service rendered for Medicaid enrollees.
FMAP	Federal Medical Assistance Percentage	The share of Medicaid expenditures paid for by the federal government through CMS. It is determined using a formula designed so that the federal government pays a larger portion of Medicaid expenditures in states with lower per capita incomes relative to the national average. For federal fiscal year 2020, the FMAP for Nevada was 63.3%.
IEP	Individualized Education Program	A written education program developed by school district personnel to meet the individual special education and related services needs of a child with a disability. Autism specific IEPs are developed for children exhibiting behavioral characteristics consistent with ASD in a public educational setting, but do not necessarily indicate a child has been formally diagnosed with ASD.
MCO	Managed Care Organization	An entity that provides managed care, a system of health care delivery that influences utilization, cost of services, and measures performance, for a premium or capitation fee, regardless of whether the individual recipient receives services. Nevada Medicaid contracts with three MCOs to provide care to Medicaid recipients in Clark and Washoe counties.
NDE	Nevada Department of Education	The state agency responsible for overseeing the 17 public school districts and state charter schools in Nevada which provide services to children with ASD as part of a free and appropriate public education.
RBT	Registered Behavior Technician	RBTs are primarily responsible for the direct one-on-one ABA services to children with ASD, including tracking progress on goals and ensuring the child's well-being and safety during sessions. RBTs are required to have a high school diploma, criminal background check clearance, 40 hours of training, and must pass a competency assessment. RBTs delivery of services must be under the supervision of a BCBA or BCaBA.
SPA	State Plan Amendment	A change to a state's Medicaid State Plan, which is an agreement between a state's Medicaid agency and the federal government. The state plan sets out groups of individuals to be covered, services to be provided, methodologies for providers to be reimbursed and the administrative activities that are underway in the state. When a state is planning to make a change to its program policies or operational approach, states send state plan amendments to the Centers for Medicare and Medicaid Services for review and approval.

Appendix B

Acronym List and Glossary (continued)

Acronym	Name	Definition or Main Role with Autism Services
TCM	Targeted Case Management	TCM services assist an individual in gaining access to needed medical, social, educational, and other supportive services. It includes assessments of the eligible individual, development of a percent centered care plan, referral, and related activities to help the individual obtain needed services, and monitoring and follow-up. ATAP personnel provide TCM to families of children with autism and receive reimbursement from Medicaid for families covered by Medicaid.
	ATAP Plan Types	ATAP offers a variety of plan types to address child and family specific needs as determined by the child's condition and insurance coverage status. • Comprehensive/Targeted Extensive/Targeted Basic – Direct financial assistance to providers for the full cost of treatment with service limitations. • Insurance Assistance – For children who need assistance covering the cost of deductibles and copays related to autism treatment services. • Service Coordination – Targeted Case Management that includes assisting Medicaid families with resources and referrals.
	Encounter Data	Data documenting a contact of service delivered to an eligible recipient by a provider. Managed care organizations are required to submit encounter data to Nevada Medicaid.
	Medicaid	Medicaid is a means-tested entitlement program that finances the delivery of primary and acute medical services as well as long-term services and supports. Medicaid is jointly funded by the federal government and the states.
	Procedure Code	A standardized coding system used to report medical procedures and services for processing claims, conducting research, and evaluating healthcare utilization.
	Service Count	The number of units of service provided to a patient for billing purposes. Most applied behavior analysis therapy services are quantified in 15-minute increments, with each 15 minutes counting as one service unit.

Source: Auditor review of various sources.

Appendix C

Excessive Daily Service Hours by Provider
Fiscal Years 2016 to 2020

Provider	No. of Service Dates	Net Payment	Service Hours	Hourly Rate
1	473	$ 469,205	12,634.25	$ 37.14
2	440	415,537	10,599.00	39.21
3	422	1,078,243	9,802.50	110.00
4	206	171,975	4,378.00	39.28
5	189	189,546	4,927.25	38.47
6	171	176,424	3,940.00	44.78
7	148	289,622	2,866.75	101.03
8	119	63,633	2,009.00	31.67
9	108	62,505	1,998.00	31.28
10	77	64,251	1,457.50	44.08
11	66	100,910	1,142.00	88.36
12	62	127,843	1,083.25	118.02
13	60	30,048	915.00	32.84
14	48	54,509	1,149.25	47.43
15	47	47,407	1,037.75	45.68
16	41	19,628	627.50	31.28
17	40	22,209	710.00	31.28
18	40	39,472	1,098.50	35.93
19	37	33,845	605.75	55.87
20	35	22,880	708.50	32.29
21	35	38,492	916.50	42.00
22	23	11,769	359.50	32.74
23	21	10,642	337.75	31.51
24	20	34,714	330.00	105.19
25	18	35,529	311.00	114.24
26	16	8,263	252.00	32.79
27	15	30,693	284.00	108.07
28	15	9,572	306.00	31.28
29	15	8,102	259.00	31.28
30	12	19,775	203.00	97.41
31	10	6,319	202.00	31.28
32	9	18,648	182.25	102.32
33	9	8,316	155.25	53.56
34	9	13,388	168.00	79.69
35	9	5,067	162.00	31.28
36	8	4,348	139.00	31.28
37	8	4,020	128.50	31.28
38	7	13,199	110.00	120.00
39	7	$ 13,966	116.00	$120.40

Appendix C

Excessive Daily Service Hours by Provider
Fiscal Years 2016 to 2020 (continued)

Provider	No. of Service Dates	Net Payment	Service Hours	Hourly Rate
40	6	$ 5,748	109.75	$ 52.37
41	6	3,099	99.00	31.30
42	5	3,165	94.00	33.67
43	5	8,825	91.25	96.71
44	5	8,595	82.00	104.81
45	5	2,504	80.00	31.30
46	5	2,502	80.00	31.28
47	5	3,891	89.50	43.48
48	5	4,627	103.75	44.59
49	4	2,127	68.00	31.28
50	3	4,505	50.00	90.11
51	3	2,700	45.00	60.00
52	3	1,548	49.50	31.28
53	3	5,779	48.00	120.40
54	3	5,190	48.00	108.13
55	2	1,002	32.00	31.30
56	2	3,637	30.50	119.23
57	2	1,126	36.00	31.28
58	2	3,642	30.25	120.40
59	2	1,126	36.00	31.28
60	1	532	17.00	31.30
61	1	1,605	15.00	107.00
62	1	470	15.00	31.30
63	1	501	15.25	32.84
64	1	500	16.00	31.28
65	1	470	15.00	31.30
66	1	470	15.00	31.30
67	1	710	20.00	35.52
68	1	1,368	15.00	91.22
69	1	470	15.00	31.30
70	1	469	15.00	31.28
71	1	500	16.00	31.28
72	1	2,396	30.50	78.56
73	1	500	16.00	31.28
74	1	500	16.00	31.28
75	1	594	19.00	31.28
76	1	500	16.00	31.28
77	1	1,926	16.00	$120.40
Totals	**3,189**	**$3,864,333**	**70,216.75**	

Source: Auditor analysis of Medicaid claim data.

Appendix D

NRS 218G.140(2) Report Regarding Potential Provider Fraud

STATE OF NEVADA

LEGISLATIVE COUNSEL BUREAU

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December 14, 2020

Members of the Nevada State Legislature
Legislative Building
Carson City, Nevada 89701

This letter is issued in accordance with Nevada Revised Statutes 218G.140(2), which requires the Legislative Auditor to report evidence of illegal transactions to the Governor, each Legislator, and the Attorney General. During our audit of the *Delivery of Treatment Services for Children With Autism* through the Division of Health Care Finance and Policy and the Aging and Disability Services Division, we found that some providers overbilled Medicaid for autism treatment services. Some of the overbilling problems may be the result of provider fraud, while others may be unintentional errors. Government auditing standards state that whether an act is, in fact, fraud is determined through the judicial or other adjudicative system and is beyond auditors' professional responsibility.

Applied Behavior Analysis (ABA) is an early intervention, evidence-based treatment proven effective in helping children develop, maintain, or restore to the maximum extent practicable, socially significant behavioral change. Federal requirements mandated the inclusion of ABA coverage in Medicaid state plans beginning in 2016. Services are provided through a combination of traditional Medicaid fee-for-service provider networks and managed care organizations. Generally, such services are provided on a one-on-one basis between licensed ABA providers and children with autism.

Our analysis of Medicaid fee-for-service providers' claims for ABA services found unreasonable and possibly fraudulent paid claims for service hours exceeding a reasonable daily threshold for both providers and children.

Providers Billed for More Service Hours Than Reasonable in a Day

We found providers were paid for 15 or more service hours in a single day on over 3,000 occasions over a 5-year period, since 2016 (3% of ABA services related Medicaid fee-for-service claims). Claims totaled $3.9 million with 56% of that paid to four provider groups. Included in the 3,000 claims are instances where providers billed for 24 or more hours of services in a day. This occurred on nearly 1,000 of 113,000 days billed for individual providers. Claim data also shows some provider groups consistently billed for excessive hours for hundreds of days for individual providers.

Providers Billed for Unreasonable Service Hours for a Single Child in a Day

We also identified about 3,600 instances where provider billings exceeded 10 or more service hours for a particular day for a single child. These potentially improper fee-for-service claims totaled $2.2 million over the same 5-year period. Most claims ranged between 10 and 15 hours per day and included billings from multiple individual providers generally billed from the same provider group. Not all claims are specifically for treatment as services can include supervision and treatment planning.

The overbillings noted were not identified by the Division of Health Care Financing and Policy as their system controls and review processes were not adequate to identify these instances. For both scenarios noted above, we are not able to calculate an overpayment amount because we could not determine what portion of each claim was legitimate. Additional documentation and work would be required by the Division of Health Care Financing and Policy to make such determinations. We informed the Division of our testing results. After the Division completes its review to determine the extent of overpayments, by provider, it should request refunds and communicate relevant information, including any fraud, to the Office of the Attorney General.

Our audit report of the *Delivery of Treatment Services for Children With Autism* is anticipated to be issued at the next meeting of the Audit Subcommittee of the Legislative Commission, planned for January 14, 2021.

Respectfully Submitted,

Daniel L. Crossman, CPA
Legislative Auditor

DLC:smy
cc: The Honorable Steve Sisolak, Governor of Nevada
The Honorable Aaron Ford, Attorney General, State of Nevada
Michele White, Chief of Staff, Office of the Governor
Richard Whitley, MS, Director, Department of Health and Human Services (DHHS)
Suzanne Bierman, Administrator, Division of Health Care Finance and Policy, DHHS

Appendix E

Number of Licensed Autism Providers by Location

County	City	BCBA	BCaBA	RBT
Carson City		2	0	5
Churchill	Fallon	1	0	1
Clark	Boulder City	1	0	0
	Henderson	27	4	139
	Las Vegas	113	18	783
	North Las Vegas	5	2	88
	Overton	0	0	2
Douglas	Gardnerville	2	0	3
	Minden	0	0	3
Elko	Carlin	0	0	1
	Deeth	1	0	0
	Elko	1	0	14
	Spring Creek	0	0	16
	Wells	0	0	4
	West Wendover	0	0	3
Esmeralda		0	0	0
Eureka		0	0	0
Humboldt	Orovada	0	0	1
	Winnemucca	1	1	7
Lander	Battle Mountain	0	0	3
Lincoln		0	0	0
Lyon	Dayton	0	0	5
	Fernley	1	0	2
	Yerington	1	0	0
Mineral	Hawthorne	0	0	1
Nye		0	0	0
Pershing		0	0	0
Storey		0	0	0
Washoe	Incline Village	0	0	1
	Reno	52	4	148
	Sparks	19	3	41
	Sun Valley	0	0	6
	Verdi	0	0	1
White Pine	McGill	0	0	2
Out of State		65	2	10
Totals		**292**	**34**	**1,290**

Source: Auditor compilation of Board of Applied Behavior Analysis licensee data as of October 2020.

Appendix F

School District Participation in Billing Nevada Medicaid

School Districts	Districts That Plan to Bill Medicaid for ABA Services	Districts That Do Not Plan to Bill Medicaid for ABA Services	Districts With BCBAs on Staff
Carson City	X		X
Churchill	X		X
Clark	X		X
Douglas		X	X
Elko	X		X
Esmeralda		X	
Eureka		X	
Humboldt	X		X
Lander	X		
Lincoln		X	
Lyon	X		
Mineral		X	
Nye	X		
Pershing		X	
Storey		X	
Washoe	X		X
White Pine		X	
Totals	**9**	**8**	**7**

Source: Auditor prepared based on interviews with the Nevada Department of Education and school district staff.

Appendix G
Audit Methodology

To gain an understanding of the Autism Treatment Assistance Program (ATAP) and the Division of Health Care Financing and Policy (Nevada Medicaid), we interviewed staff, reviewed statutes, regulations, and policies and procedures significant to the agencies' operations as it related to the provision of autism treatment services. We also reviewed financial information, budgets, and legislative committee minutes.

Furthermore, we documented and assessed Nevada Medicaid and ATAP's internal controls and administrative procedures related to Nevada Medicaid fee-for-service (FFS) claim data, Managed Care Organization (MCO) encounter data review, and the ATAP insurance assistance plan reconciliation process.

Our audit included a review of Nevada Medicaid and ATAP's internal controls significant to our audit objective. Internal control is a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved. Internal control comprises the plans, methods, policies, and procedures used to fulfill the mission, strategic plan, goals, and objectives of the entity. The scope of our work on controls related to Nevada Medicaid FFS claim data, MCO encounter data review, and the ATAP insurance assistance plan reconciliation process included the following:

- Design and implementation of control activities through policy (Control Activities);
- Performance of monitoring activities (Monitoring); and
- Identification, analysis, and response to risks (Risk Assessment).

Deficiencies and related recommendations to strengthen Nevada Medicaid and ATAP's internal control systems are discussed in the body of this report. The design, implementation, and ongoing compliance with internal controls is the responsibility of agency management.

To analyze Nevada Medicaid FFS expenditures, we obtained a download of claims for provider type Applied Behavior Analysis (PT85) from January 2016 through July 2020. We received data for 424,360 claims. Of those, 256,420 were paid claims. To ensure the reliability of Nevada Medicaid FFS paid claim data, we performed a series of data reliability testing on the claim data by examining trends in the data, reviewing for duplicate or missing information; testing for missing values in key data elements; comparing monthly expenditures to previously reported agency totals; and interviewing Nevada Medicaid officials knowledgeable about the data. We reviewed claims for reasonableness based on our knowledge of the procedure codes associated and authorized for payment under Applied Behavior Analysis. We determined the data to be reliable.

For each paid claim, we determined the timeliness of the payment by identifying the number of days between the date the claim was submitted for payment and the day the payment was made. In addition, for each claim we determined the region (Rural, Urban Clark, or Urban Washoe) based on the zip code of the individual served.

We performed additional data analysis to check for excessive services received per day, per child and excessive services provided by individual providers per day. We did this by sorting and querying the claim data by provider per day or individual served per day. We discussed issues noted on claims and other errors found during our audit with the appropriate personnel and Nevada Medicaid management.

To analyze ATAP expenditures, we obtained a report from the Social Assistance Management System of expenditures paid by ATAP for each child by month for fiscal years 2016 through 2020. We received a report containing 42,438 instances of monthly

expenditure activity of children in ATAP plans. Of these, 28,567 were paid expenditures. We performed a series of data reliability testing on the ATAP expenditure data by examining trends in the data over time to see if there are unexpected spikes or dips that could indicate duplicate or missing data; testing for duplicate data; testing for missing values in key data elements; comparing system reports for consistency; comparing report totals to the state accounting system, reviewing access controls, and interviewing agency officials. We determined the data to be reliable. In addition, for each child we determined the region (Rural, Urban Clark, or Urban Washoe) based on the zip code of the individual served.

In order to determine the possible population of children with autism in Nevada, we obtained a report from the Nevada Department of Education (NDE) of children with an autism related Individualized Educational Program (IEP) for each school year from 2016 through 2020. We verified the accuracy and completeness of this list by reviewing the underlying data and comparing the numbers to other reported information. In addition, we asked 7 of the 17 school districts in Nevada to provide the number of children with an autism related IEP and compared it to the number provided by NDE. We determined the NDE data to be complete and accurate.

To analyze MCO encounter claim data, we obtained a download of encounter claims data for provider type Applied Behavior Analysis (PT85) during fiscal years 2016 through 2020. We received data for 64,923 claims. Of those, 46,968 were paid claims.

We performed a series of data reliability testing on the Nevada Medicaid MCO claim data by examining trends in the data over time that could indicate duplicate or missing data; testing for missing values in key data elements; comparing total number of records provided to agency totals; and interviewing Nevada Medicaid officials knowledgeable about the encounter data. Due to inaccuracies in the encounter data we determined the MCO encounter data to be unreliable. For instance, MCOs did not accurately report the paid service counts for claims, so we could

not determine the service hours per individual claim. In addition, the encounter data did not display claim paid dates accurately, so we could not calculate timeliness of payments. As a result, we could not identify the population of MCO claims related to autism services and could not review claims for accuracy or timeliness. However, we obtained self-reported information directly from each MCO related to ABA services. The information provided directly from each MCO only displayed the total number of unique individuals served per month, the number of total claims per month, and total expenditures for those claims per month. As we did not receive claim level data from the MCOs, we could not compare claim level data from the MCOs to the encounter claim level data from Nevada Medicaid.

Additionally, we judgmentally selected 6 reconciliations of 139 individuals on ATAP's Insurance Assistance plan who met their deductible and documentation indicated providers received overpayments. Judgment was based on dollar amount, availability of records, month of service, and provider. Finally, the audit team identified two individuals who received ABA therapy from a specific ABA company to match the invoices to Medicaid insurance claims to determine if the specific ABA company was double billing Medicaid and ATAP for reimbursement.

To assess the accuracy of the fiscal notes submitted by Nevada Medicaid and ATAP, we obtained the fiscal notes submitted for Senate Bill 174 Section 1 as introduced on February 18, 2019. We reviewed agency assumptions and calculations for accuracy and determined whether information submitted was appropriate.

We also issued two surveys to understand families' and providers' experience with autism programs. We obtained a list of active children in ATAP as of December 2019 and prepared and issued a survey to 648 caregivers on March 23, 2020. We received 122 responses. We also selected 10 caregivers to interview to obtain clarity regarding submissions and additional information. In determining those to speak with further we considered location, plan type, years of having a child with autism, and responses to survey questions regarding barriers to accessing ABA treatment. A second survey was sent on August 24, 2020, to the same

individuals. We received 186 total responses to the second caregiver survey.

Furthermore, we prepared and issued a survey to 1,231 licensed professionals on March 23, 2020. We received 95 responses from Board Certified Behavior Analysts (BCBA) and Board Certified Assistant Behavior Analysts (BCaBA), and 291 responses from RBTs. We selected 23 providers to follow up with regarding barriers to providing ABA treatment, survey responses, details regarding provider capacity and waitlists, and information about how COVID-19 impacted services. In determining those to speak with further we considered provider specialty, location, hours provided, years of experience, size of practice, and responses to survey questions regarding barriers in providing ABA treatment. A second survey was sent on August 24, 2020 to the same providers. We received 101 responses from BCBAs and BCaBAs, and 221 responses from RBTs.

We compiled and reviewed the survey responses and determined the most frequent responses to survey questions and identified the most significant barriers faced by caregivers and providers in obtaining or providing autism services.

To determine the number of ABA providers in the State, we obtained a licensee list of providers from the Aging and Disability Services Division's Board of Applied Behavior Analysis as of August 2019 and October 2020. We conducted regional analysis of the licensees based on zip codes listed on the licensure application. We also conducted analysis on provider growth based on licensee enrollment date.

In order to perform a comparison of the RBT reimbursement rate within Nevada and also nationally, we judgmentally selected 15 of 651 unique individuals on ATAP's Insurance Assistance plan in fiscal years 2019 and 2020. Judgment was based on month of services, insurance type, and dollar amount spent for services. We requested the explanation of benefits (EOB) and service verification forms for each of the 15 selected individuals. We determined private insurance reimbursement rates for ABA therapy by matching the service verification form with the EOB

and the claims in each EOB. Additionally, we utilized a US Defense Health Agency website, a component of the Military Health System, to obtain information related to the provider reimbursement rates paid nationally. Lastly, we contacted the Division of Insurance for a list of the largest insurance providers in Nevada. We requested reimbursement rate information specific to certain providers and received data from two insurance companies.

Additionally, we conducted interviews with representatives of all 17 school districts to gain an understanding of what autism services are provided by school districts and whether school districts intended to bill Nevada Medicaid for ABA services provided to students.

Next, we judgmentally selected 5 of 109 unique individuals on ATAP's Comprehensive plan in fiscal year 2020. Judgment was based on month of services, insurance type, and dollar amount spent for services. For each of the 5 individuals, we requested supporting documentation for the amount paid. We reviewed the provider invoices to determine the accuracy of expenditures compared with ATAP's total expenditures spreadsheets.

For our testing of ATAP reconciliations of overpayments for insurance assistance plans, and ATAP insurance assistance plan's private provider rates, we used nonstatistical audit sampling for our audit work, which was the most appropriate and cost-effective method for concluding on our audit objectives. Based on our professional judgement, review of authoritative sampling guidance, and careful consideration of underlying statistical concepts, we believe that nonstatistical sampling provided sufficient, appropriate audit evidence to support the conclusions in our report. We did not project any of our samples to populations because we were not determining errors in the sample sets that would apply to the population as a whole. Our sample included judgmentally selected items.

Our audit work was conducted from July 2019 to December 2020. We conducted this performance audit in accordance with generally accepted government auditing standards. Those

standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In accordance with NRS 218G.230, we furnished a copy of our preliminary report to the Administrators of the Aging and Disability Services Division and the Division of Health Care Financing and Policy. On December 21, and 22, 2020, we met with agency officials to discuss the results of the audit and requested written responses to the preliminary report. Those responses are contained in Appendices H and I, which begin on pages 59 and 63.

Contributors to this report included:

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Appendix H

Response From the Division of Health Care Financing and Policy

Steve Sisolak
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Division of Health Care Financing and Policy
Helping people. It's who we are and what we do.

Suzanne Bierman, JD, MPH
Administrator

December 31, 2020

Daniel Crossman, CPA
Legislative Auditor
Legislative Counsel Bureau
Legislative Building
Carson City, NV 89701

Dear Mr. Crossman:

Please find attached a memo which is the Division of Health Care Financing and Policy's (DHCFP) response to the Applied Behavioral Analysis audit, which was required by Senate Bill 174 from the 2019 Legislative Session.

In summary, the Division has agreed to all of the Legislative Counsel Bureau's audit recommendations related to DHCFP. The Division is committed to working to implement these recommendations. Attached is a memo with responses to each recommendation, recommendation checklist indicating that the Division accepts all of the LCB recommendations, and a supporting Excel spreadsheet for recommendation number four.

Please let us know if you have any questions or concerns.

Sincerely,

Suzanne Bierman
Suzanne Bierman (Dec 31, 2020 15:34 PST)

Suzanne Bierman, JD, MPH
Administrator
Nevada Department of Health and Human Services
Division of Health Care Financing and Policy

CC: DuAne Young, Deputy Administrator, DHCFP
Phillip Burrell, Deputy Administrator, DHCFP
Cody Phinney, Deputy Administrator, DHCFP
Richard Whitley, MS, Director, Department of Health and Human Services (DHHS)
Russell Steele, Audit Manager, DHCFP
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Page 1 of 1

Steve Sisolak
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Division of Health Care Financing and Policy
Helping people. It's who we are and what we do.

Suzanne Bierman, JD, MPH
Administrator

TO:	Daniel Crossman, Auditor, Legislative Counsel Bureau
FROM:	DHCFP Administrator, Suzanne Bierman
DATE:	December 31, 2020
SUBJECT:	ABA Audit (SB 174) – Division of Health Care Financing and Policy (DHCFP) & Aging and Disability Services Division (ADSD) Responses to Audit Recommendations

MEMORANDUM

The Division of Health Care Financing and Policy (DHCFP) received a letter from the Legislative Counsel Bureau (LCB) dated December 15, 2020. The letter notifies the DHCFP of the preliminary audit report on the Delivery of Treatment Services for Children with Autism. Below are responses to the recommendations from LCB.

Recommendations Accepted/Rejected

Recommendation #1. Nevada Medicaid should determine reasonable limits to the number of service hours in a one-day period for both providers and children.

- DHCFP accepts recommendations from item number one.
- The Business Process Management Unit (BPMU) will work with policy staff to develop policy and edits in the system to address the excessive service hours. The team will meet with the Managed Care Organizations (MCO) to ensure there are edits in place on the encounter side. Surveillance Utilization and Review (SUR) will be notified of over billing and possible fraud.
- DHCFP will investigate the reasonable service limits for both recipients and providers.
- DHCFP determined post-audit that some patients had private insurance applied to their claims. DHCFP will continue to investigate these claims to ensure payments did not exceed established rates and were applied in compliance with established procedures for applying third-party payor expenditures.

Recommendation #2. Nevada Medicaid should develop system edits to prevent claims with excessive service hours.

- *See response above (#1) and (#3)*
- DHCFP accepts recommendation #2

Recommendation #3: Nevada Medicaid should further investigate claims with unreasonable service hours and identify and recover overpayments and refer potential fraud to the Office of the Attorney General.

- DHCFP SUR unit accepts recommendation #3 and will work with the Office of the Attorney General.

Recommendation #4. Nevada Medicaid should develop a process to routinely review encounter claim data including procedures to ensure data submitted is accurate and services provided to children are appropriate.

- DHCFP Accepts Recommendation #4
- The Nevada Department of Health and Human Services (DHHS) Office of Data Analytics (ODA) will assist with data analysis to address recommendation #4.
- DHCFP behavioral management policy managers will work with the ODA Medicaid staff to develop regular and timely reports to ensure the accuracy and completeness of provided services.

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- The Medicaid Management Information System (MMIS) has been modernized and was implemented in 2019. BPMU has updated the edit/audit list to ensure that it is up to date. Currently there are 98 denial edits and 63 informational edits for encounter claims. (attached excel-current encounter edits).

- An Encounter Workgroup was established in April 2020 and is comprised of members from BPMU Data Quality Monitoring Team, Managed Care Quality Assurance (MCQA) and ODA. The Encounter Workgroup reviews encounter edits for data quality and monitors acceptance rates to ensure encounters received are compliant with quality requirements and the MCO contracts. This workgroup convenes monthly and has accomplished the following since its inception:
    - One-on-one meetings were held with Health Plan of Nevada where defects were identified in their system based on the encounter claims they were sending; these claims have been corrected and resubmitted to DHCFP. These one-on-one meetings are part of the workgroup's approach to ensuring DHCFP is keeping communication lines open and partnering with the Plans to identify data quality issues.
    - Defects were identified on the DHCFP side, specifically with duplicate edit 5300, which has been corrected via the Internal Service Request (ISR) #61330 implemented on November 16, 2020. This improved the data quality of the encounter claims submitted and reduced rejections.
    - Additional communication and education has been provided to the MCOs on the system edits so that there is a better understanding of how the edits work.
    - Beginning in December, the Data Quality and Monitoring team will receive a monthly reoccurring report to monitor claims data, including procedures, to ensure services provided to children are appropriate. Any anomalies will be brought to appropriate program staff's attention for follow up with the providers.
    - BPMU has added encounter data for autism and services provided to children to the agenda for the Encounter Workgroup for future monitoring beginning January 2021.
    - This project was identified as a high priority in August 2020. The implementation of this enhancement will ensure that DHCFP captures the quantity paid for services for Applied Behavior Analysis (ABA) to reflect the time spent with the patient.
    - The workgroup will begin monitoring the procedure codes billed by the providers on the same date of service. Under Provider Type 85 billing guidelines, there are procedure codes that should not be billed on the same day as other procedure codes.
- DHCFP will consider using group service current procedural terminology (CPT) codes in analyzing claims data for excessive billing. Group services are assigned separate CPT codes; these services are billed under each recipient who participates in the group. DHCFP will ensure that service hours provided in group settings are not duplicated in the analysis, which could lead to overstating the amount of potentially fraudulent claims.

Autism Treatment Assistance Program (ATAP) Items

5. ATAP should establish a process and additional controls to ensure reconciliations for Insurance Assistance plan payments are completed, accurate, and timely.

6. ATAP should develop a centralized process to obtain and retain documentation from Insurance Assistance plan participants.

7. ATAP and Medicaid should establish additional monitoring and review controls to ensure information submitted to the Legislature is based on reasonable assumptions specific to the relevant program.

- DHCFP accepts the recommendations from item number seven.
- DHCFP has been working diligently to improve the processes used to analyze the fiscal impact of proposed legislation.

- Our new methodology includes pulling managed care encounter data and patient counts for the relevant services, an option that was difficult prior to implementation of the new MMIS system. The new methodology also involves estimating the managed care impact separate from the impact on the fee-for-service delivery model. In addition, we have developed methodologies to adjust fiscal impact analysis for program ramp up periods and for provider shortages. Furthermore, additional reviews are now being completed prior to release of fiscal impact analysis. DHCFP believes that these improvements to our projection methodologies and process will improve the accuracy of the division's fiscal impact estimates going forward.

8. ATAP should develop and publish specific guidance regarding how to obtain a diagnosis and Applied Behavior Analysis treatment for those inquiring about services.

9. ATAP should create and maintain a list of health care professionals qualified and performing diagnoses of Autism Spectrum Disorder.

10. ATAP should assign case managers to families as soon as program eligibility is determined.

11. ATAP should actively monitor provider availability and assist families in obtaining and selecting a suitable provider.

12. ATAP should develop a standardized process to identify children with the greatest need for immediate placement with Applied Behavior Analysis providers to expedite services.

Recommendation #13
Nevada Medicaid should continue working with the Nevada Department of Education (NDE) and Nevada school districts on the implementation of the state plan amendment for school districts to receive Medicaid reimbursement for ABA services.

- DHCFP accepts the recommendations from item number 13.
- DHCFP will continue to work with Nevada school districts and NDE to amend their contracts to include ABA services. DHCFP acknowledges that not all the school districts are interested at this time to participate in billing Nevada Medicaid. DHCFP will continue to support the growth of the provider type.

Recommendation #14
Nevada Medicaid should provide ATAP with contact information for new enrollees so ATAP can offer targeted case management to families.

- DHCFP accepts the recommendations from item number 14.
- If a recipient enrolls and has a known diagnosis of ASD, a list will be provided to ATAP.
- DHCP will suggest a data pull of this information at specific time intervals.
- DHCFP and ATAP will collaborate to provide this service to Autism Spectrum Disorder (ASD) recipients.

Appendix I

Response From the Aging and Disability Services Division

Steve Sisolak
Governor

Richard Whitley, MS
Director

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Aging and Disability Services Division
Helping people. It's who we are and what we do.

Dena Schmidt
Administrator

December 31st, 2020

Daniel L. Crossman, CPA Legislative Auditor
Legislative Counsel Bureau
401 S. Carson Street
Carson City, NV 89701-4747

Re: Delivery of Treatment Services for Children with Autism Audit Report

Dear Mr. Crossman:

Thank you for the information provided in your audit report of December 15, 2020 on the Delivery of Treatment Services for Children. The Aging and Disability Services Division (Division) appreciates the efforts of the Legislative Counsel Bureau (Bureau) in conducting this review and the work contributed to complete it. The Division's response to your recommendations is provided below. Additionally, the "Division's Response to Audit Recommendations" indicating the Division's acceptance of the recommendations is attached.

Recommendation: ATAP should establish a process and additional controls to ensure reconciliations for Insurance Assistance plan payments are completed, accurate, and timely.

Response: The Division accepts this recommendation. In August 2020, the Agency formalized a standard reconciliation process in which Developmental Specialists gather Explanation of Benefits (EOBs) from families who receive insurance assistance benefits quarterly (every 3 months). These documents are then reviewed for total patient responsibility and are compared to provider invoices and care plan budgets. These budgets were developed based on the insurance estimate (up to $700 per month) that the provider is required to submit to ATAP. This comparison is for billed service dates accuracy and any over-payments. If discrepancies are found, the Developmental Specialist reports it to their supervisor for review and confirmation. Once confirmed, a reconciliation request is submitted to the invoice verification team and completed on the next appropriate payable invoice depending on the date of the month the reconciliation is received.

Random audits of billing and EOBs will be completed by ATAP invoice verification team in addition to oversight that Developmental Specialist will be providing.

Recommendation: ATAP should develop a centralized process to obtain and retain documentation from Insurance Assistance plan participants.

Response: The Division accepts this recommendation. The Agency will implement a uniform and consistent practice for archiving EOBs that are received from families. This will be a statewide system and will be accessible through the ATAP SharePoint to division staff that allows access for review and audit of each eligible insurance assistance plan participant. The Agency acknowledges that additional improvements would be needed to the WellSky system for the EOBs to be added to the electronic record. Currently ATAP does not have the ability to upload documentation. Additionally, efforts to request EOBs from the insurance agency directly will be made when families fail to provide them to the Developmental Specialist by submitting a Release of Information on the insurance agencies form and a cover letter from ATAP with an explanation of why information is being requested.

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ATAP policy will be updated to ensure that families are aware that with the insurance assistance program that the EOBs are required and failure to provide them can result in ATAP suspending payments pending the receipt of the needed EOB's to complete a reconciliation of funds paid to providers
As of November 2020, Developmental Specialists began transferring any stored EOBs they had for eligible children to the ATAP SharePoint, until there is a system in place in WellSky for storage.

Recommendation: ATAP and Medicaid should establish additional monitoring and review controls to ensure information submitted to the Legislature is based on reasonable assumptions to specific to the Relevant Program.

Response: The Division accepts this recommendation and will define assumptions and methodology used to determine fiscal notes to the legislature.

Recommendation: ATAP should develop and publish specific guidance regarding how to obtain a diagnosis and Applied Behavior Analysis treatment for those inquiring about services.

Response: The Division accepts this recommendation. The Agency will develop educational information based on clinical guidance for families on obtaining a diagnosis and accessing Applied Behavior Analysis therapeutic treatment options and publish on the Division's website. This information will include how to contact private insurance to gather information on what providers are in network

Recommendation: ATAP should create and maintain a list of heath care professionals qualified and performing diagnosis of Autism Spectrum Disorder.

Response: The Division accepts this recommendation. While services cannot be rendered until an official diagnosis is obtained by the applicant. The Agency will create and maintain a list to the best of our knowledge of Health Care Professionals qualified to and currently are performing diagnosis of Autism Spectrum Disorder. The Agency will post this information to Division's website. This information will be monitored and updated every 180 days. If a family contacts the Intake department the information will be provided and can be sent via postal services for those that do not have access to the information on-line.

Recommendation: ATAP should assign case managers to families as soon as program eligibility is determined.

Response: The Division accepts this recommendation the Agency is currently developing a risk assessment tool to assess and identify factors that might require additional resources and support while on the waitlist. The Agency will use this tool as appropriate with each eligible applicant to identify what services are already in place and refer to other State agencies and/or Nevada Care Connection Resource Centers that could provide additional resources while waiting for an ATAP Developmental Specialist to be assigned.
Due to the COVID19 response of budgetary freeze on Developmental Specialist positions and limitations with caseload maximums; the Agency will be unable to accommodate recommendation at this time. The Agency will look to do an enhancement request in the next budget build for the subsequent biennium to increase staffing and fulfill this recommendation.

Recommendation: ATAP should actively monitor provider availability and assist families in obtaining and selecting a suitable provider:

Response: The Division accepts this recommendation. Currently the Agency works with families to complete an availability form and works with Providers based on the availability of the family. The Agency's Social Service Program Specialists work directly with the Providers and will develop a tracking tool for Provider availability that will be discussed and updated during Bi-Monthly Provider meetings. Parents will be given the tools and support to connect with Providers that may have availability suitable for their needs.

Recommendation: Should develop a standardized process to identify children with the greatest need for immediate placement with Applied Behavior Analysis providers to expedite services.

Response: The Division accepts this recommendation. The Agency is currently developing a risk assessment tool to assess and identify factors that might require additional resources and support. Once a child is found eligible

for the program, the Intake Coordinator will complete the risk assessment. This will ensure that consumers and families with higher needs are processed and made active as soon as possible.
The Agency will also use this tool as appropriate with each incoming application to identify what services are already in place and refer to other State agencies and/or Nevada Care Connection Resource Centers that could provide additional resources while waiting for an ATAP Developmental Specialist to be assigned.

Recommendation: Nevada Medicaid should provide ATAP with contact information for new enrollees so ATAP can offer case management for families

Response: The Division accepts this recommendation. Upon DHCFP developing a referral mechanism the Division will provide educational materials and resources about the Agency services.

Thank you for the opportunity to review, identify and address areas in which the Autism Treatment Assistance Program can improve to support the individuals we serve.

Sincerely,

Dena Schmidt

Dena Schmidt
Administrator, Aging and Disability Services Division
Department of Health and Human Services

cc: Richard Whitley, Director, Department of Health and Human Services

Division of Health Care Financing and Policy's and Aging and Disability Services Division's Responses to Audit Recommendations

	Recommendations	Accepted	Rejected
1.	Nevada Medicaid should determine reasonable limits to the number of service hours in a 1-day period for both providers and children	X	
2.	Nevada Medicaid should develop system edits to prevent claims with excessive service hours	X	
3.	Nevada Medicaid should further investigate claims with unreasonable service hours and identify and recover overpayments, and refer potential fraud to the Office of the Attorney General	X	
4.	Nevada Medicaid should develop a process to routinely review encounter claim data including procedures to ensure data submitted is accurate and services provided to children are appropriate	X	
5.	ATAP should establish a process and additional controls to ensure reconciliations for Insurance Assistance plan payments are completed, accurate, and timely	X	
6.	ATAP should develop a centralized process to obtain and retain documentation from Insurance Assistance plan participants	X	
7.	ATAP and Medicaid should establish additional monitoring and review controls to ensure information submitted to the Legislature is based on reasonable assumptions specific to the relevant program	X	
8.	ATAP should develop and publish specific guidance regarding how to obtain a diagnosis and Applied Behavior Analysis treatment for those inquiring about services	X	
9.	ATAP should create and maintain a list of health care professionals qualified and performing diagnoses of Autism Spectrum Disorder	X	
10.	ATAP should assign case managers to families as soon as program eligibility is determined	X	
11.	ATAP should actively monitor provider availability and assist families in obtaining and selecting a suitable provider	X	
12.	ATAP should develop a standardized process to identify children with the greatest need for immediate placement with Applied Behavior Analysis providers to expedite services	X	

Division of Health Care Financing and Policy's and Aging and Disability Services Division's Responses to Audit Recommendations (continued)

	Recommendations	Accepted	Rejected
13.	Nevada Medicaid should continue working with the Nevada Department of Education and Nevada school districts on the implementation of the state plan amendment for school districts to receive Medicaid reimbursement for Applied Behavior Analysis services.....	X	
14.	Nevada Medicaid should provide ATAP with contact information for new enrollees so ATAP can offer targeted case management to families.....	X	
	TOTALS	14	