

# 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)