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State Auditor Completes Review of Autism Related Expenditures

State Auditor Mike Foley thanked Dr. Steve Corsi, Chief Executive Officer of the Nebraska Department of Health and Human Services (DHHS), for his invitation to review State expenses for services addressing autism spectrum disorders (ASD), which are provided through a therapeutic approach known as Applied Behavioral Analysis (ABA).

The Centers for Disease Control (CDC) calculates that in the year 2000, one out of every 150 children at the age of eight were diagnosed with ASD. By 2024, the corresponding statistic was one per every 31 children.

Foley remarked that, "DHHS is working hard to deliver high quality services to eligible citizens in this program and the cost of doing so has skyrocketed causing a need for review of potential ways to mitigate cost. I appreciate Dr. Corsi's efforts to run an efficient and helpful program."

Over the past five years, the cost of Medicaid services delivered by the State for eligible children has increased from \$4.6 million to \$82.8 million and the number of companies in Nebraska working with DHHS to deliver services has increased from 10 to 38 over the same time horizon.

DHHS Medicaid officials noted that the reimbursement rates paid to the companies delivering services in Nebraska were radically higher than every other State and therefore, the agency implemented rate reductions last month.

The State Auditor played no role in proposing or analyzing the rate revision decision, but today's report discloses deficiencies in the finances of ABA services delivered via the program which, when properly addressed, will result in greater cost discipline.

For example, the audit team identified examples of duplicate claims for ABA services submitted by certain companies resulting in needless costs being paid by DHHS. While the audit sample size was quite limited, Foley believes that it is reasonable to assume that given the vast number of ABA invoices being processed, other instances of duplicate claims could have been found.

Similarly, examples of erroneous claims for reimbursement were filed with the managed care organizations that process claims for the State's Medicaid program, increasing the costs paid by DHHS.

The auditors also found several providers who lacked the appropriate professional credentials to be a service provider yet successfully billed DHHS for services. Again, the audit sample was limited but the report gives DHHS a roadmap on how to mitigate this problem in the future.

As noted above, service providers must hold various levels of professional certification. Certain lower-level professionals, credentialed to deliver services, may do so as long as their work meets required standards of supervision which were found to be inadequate by one of the companies being paid by DHHS.

Two other areas needing improvement relate to an instance found where the rate charged by the provider was more than the approved rate and other instances where services provided were not properly documented.

Foley concluded that, “DHHS has a full plate in front of it as it addresses the rapidly expanding population of citizens needing ABA services while trying to control the budgetary impact of service delivery.”

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