*Welcome to LLA Reports, a podcast produced by the Louisiana Legislative Auditor’s office. This podcast is intended to be an oral representation of the written report it highlights and is primarily for the use of the Louisiana Legislature.*

This is Brent McDougall. I’m a senior data analyst for the LLA’s Data Analytics Unit. This episode of LLA Reports focuses on our new report titled “Progress Report: Medicaid Behavioral Health Services.”

Between May 2019 and March 2021, we released five Data Analytics Unit reports that identified ways the Louisiana Department of Health – or LDH – could strengthen its monitoring of state law, the Behavioral Health Provider Manual, and Informational Bulletins regarding the requirements and exceptions for how Specialized Behavioral Health services should be provided, billed, and reimbursed.

The purpose of our new report was to evaluate the progress LDH has made in addressing issues identified in the previous reports and to suggest additional analyses LDH could perform to identify risky provider billings.

We found that LDH implemented three prior recommendations to identify and correct certain Specialized Behavioral Health – or SBH – claims and encounters that were improperly billed.

For example, LDH established controls to ensure that all claims and encounters identify the individual providing the services and that individuals providing services do not bill more than 12 hours of services in a single day. As a result, the amount of potential improper payments decreased from more than $10 million dollars to just over $630,000 dollars.

We found, however, that one provider did not provide a National Provider Identifier (NPI) when it submitted claims as required by state law because it has a special contracted rate approved by LDH. In addition, we found that, in April 2021, LDH suspended the edit check that identified providers billing more than 12 hours of services in a day.

We also found that LDH has not implemented two recommendations to identify and correct other SBH improper payments, but has contracted with a vendor to do so.

For example, LDH has not implemented controls or monitoring to ensure that all claims and encounters are properly coded and paid at the correct rate. As a result, we identified approximately $11 million dollars paid for services that were potentially improperly billed.

We found as well that LDH has not implemented two recommendations to develop edit checks to prevent or flag certain potentially improper billings for review.

For example, LDH has not developed controls to monitor claims and encounters for services billed when the recipient is actually in an inpatient facility or when the recipient is billed as receiving services from two providers on a single day, or to ensure telehealth services are properly coded.

As a result, we identified about $2.3 million dollars paid for services that were potentially improper or were not properly coded.

In addition, we identified other edit checks, controls, and procedures LDH could implement to identify high-risk providers and potentially improper SBH claims and encounters.

These include monitoring for things such as services provided to children on school days, services provided to children under age two, individuals who receive more than four hours of services during a single day, services provided to individuals who no longer live in Louisiana, and SBH providers who do not appear to be reporting wages to the Louisiana Workforce Commission.

As a result of our report, we developed one matter for legislative consideration and eight recommendations.

We suggested the Legislature consider clarifying whether exceptions are allowed under the state law related to National Provider Identifiers.

We recommended that LDH restart the edit check to identify providers billing for more than 12 hours of services in a day and use the results of its new sampling reviews to identify and correct improperly billed claims and encounters.

We also recommended that LDH adjust the number of encounters and claims sampled and how frequently they are sampled based on the results of the reviews.

We recommended as well that LDH develop policies and guidance to obtain beginning and ending times for each Psychosocial Rehabilitation and Community Psychiatric Support and Treatment claim and encounter received.

In addition, we recommended that LDH enforce the inpatient services requirement in the Provider Manual and the telehealth coding requirements in Informational Bulletins and develop policies and guidance about the environment in which telehealth services are provided.

Finally, we recommended that LDH incorporate the analyses listed throughout the report into its oversight of behavioral health providers.

As part of its response, which is included in the report as Appendix A, LDH disagreed with one recommendation, partially agreed with three recommendations, and agreed with four recommendations.

*We hope you found this podcast informative, and that you’ll follow future episodes of LLA Reports.*

*This podcast was created as part of the audit report just discussed and is intended primarily for the use of the Louisiana Legislature. Both the full report and the podcast can be found on the LLA’s website at* [*www.lla.la.gov*](http://www.lla.la.gov)*.*

*Thank you for listening.*