Dave Yost • Auditor of State

THIS PAGE INTENTIONALLY LEFT BLANK

CANDY K. CAIN, LPN
CRESCENT SPRINGS, KENTUCKY

TABLE OF CONTENTS

Title	Page
Independent Auditor's Report	1
Compliance Examination Report	3
Recommendation: Comply With Terms of Provider Agreement	4

THIS PAGE INTENTIONALLY LEFT BLANK

Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO PRIVATE DUTY NURSING SERVICES

Candy K. Cain, LPN
2519 Ravenwood Court, Apartment 7
Crescent Springs, Kentucky 41017

RE: *Medicaid Provider Number 2994943*

Dear Ms. Cain:

We attempted to examine your (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation, and service authorization related to the provision of private duty nursing services during the period of January 1, 2010 through December 31, 2011. The Provider did not supply any information in response to the notification for this examination (see Compliance Examination Report).

Provider's Responsibility

The Provider entered into an agreement with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients (the Provider Agreement). The Provider Agreement outlines the responsibility to adhere to the terms of the agreement, State statutes and rules, Federal statutes and rules, and the regulations and policies set forth in the Medicaid Handbook including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Therefore, the Provider is responsible for complying with the requirements and laws outlined by the Medicaid program.

Auditor's Responsibility

Our responsibility is to report on the Provider's compliance based on our examination and our work is performed under our authority in Section 117.10 of the Ohio Revised Code. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Basis for Disclaimer of Opinion

As described in the attached Compliance Examination Report, we were unable to obtain sufficient documentation supporting the Provider's compliance with the specified Medicaid requirements. Nor were we able to satisfy ourselves as to the Provider's compliance with these requirements by other examination procedures.

Disclaimer of Opinion

Because of the matters described in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the compliance with the specified Medicaid requirements for the period of January 1, 2010 through December 31, 2011.

88 East Broad Street, Ninth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-3340 or 800-282-0370 Fax: 614-728-7398
www.ohioauditor.gov

Without supporting documentation, we found the Provider was overpaid by Ohio Medicaid between January 1, 2010 and December 31, 2011 in the amount of $207,664.86. This finding plus interest in the amount of $11,926.51 totaling $219,591.37, is due and payable to ODM upon ODM's adoption and adjudication of this examination report. After adjudication by ODM, additional interest may be assessed until the finding and interest is paid in full.

When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,[1] any payment amount in excess of that legitimately due to the provider will be recouped by ODM Fiscal Operations, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B). Therefore, a copy of this report will be forwarded to ODM as it is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting ODM's Office of Legal Services at (614) 752-3631.

This report is intended solely for the information and use of the Ohio Department of Medicaid, the Medicaid Fraud Control Unit of the Ohio Attorney General's Office, the U.S. Department of Health and Human Services/Office of Inspector General, and other regulatory and oversight bodies and is not intended to be and should not be used by anyone other than these specified parties. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

Sincerely,

Dave Yost
Auditor of State

November 14, 2013

---

[1] "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "Waste and abuse" are practices that are inconsistent with professional standards of care; medical necessity; or sound fiscal, business, or, medical practices; and that constitute an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5160-1-29(A).

COMPLIANCE EXAMINATION REPORT FOR CANDY K. CAIN, LPN

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. The rules and regulations that providers must follow are specified in the Ohio Administrative Code and the Ohio Revised Code. The fundamental concept underlying the Medicaid program is medical necessity of services: defined as services which are necessary for the diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. See Ohio Admin. Code § 5160-1-01(A).

The Auditor of State performs examinations to assess provider compliance with Medicaid rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care, and medical necessity. According to Ohio Admin. Code § 5160-1-17.2(D), Medicaid providers must "maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions" for a period of six years from the date of receipt of payment or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. See Ohio Admin. Code § 5160-1-17.2(E)

The Provider became an Ohio Medicaid provider in September 2009 and the Provider's Medicaid number is 2994943. The Provider is a licensed practical nurse (LPN) located in Crescent Springs, Kentucky who furnishes waiver nursing services to Ohio Medicaid recipients. The Provider also has an active Kentucky nursing license. During the examination period, the Provider received reimbursement of $207,664.86 for 708 private duty nursing services.

Purpose, Scope, and Methodology

The purpose of this examination was to review Medicaid reimbursements made to the Provider for services and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. Please note that all rules and code sections relied upon in this report were those in effect during the audit period and may be different from those currently in effect.

The scope of the engagement was limited to an examination of private duty nursing services for which the Provider rendered to Medicaid patients and received payment during the period of January 1, 2010 through December 31, 2011.

We received the Provider's paid claims history from the Medicaid Management Information System and the Medicaid Information Technology System (MITS) database of services billed to and paid by Ohio's Medicaid program. We removed 11 services that were paid at zero. In addition, we obtained information regarding structural reviews from ODM (CareStar Agency) as well as the agreement between the Provider and ODM.

In our attempt to notify the Provider of the examination, we called the telephone number listed in MITS four times between July 26, 2013 and August 12, 2013; however, we were only able to leave one message due to the voice mail being full. On the fourth attempt, we discovered the telephone number was no longer in service. On August 1, 2013 we emailed an engagement letter, which detailed the purpose and scope of the examination, to the Provider at the email address documented by CareStar. On August 5, 2013, we mailed the engagement letter to the Provider at the updated

address listed in the CareStar system. We received no response from the Provider to the engagement letter and, on August 20, 2013, we sent a second request for documentation to support services paid by Ohio Medicaid. The Provider failed to respond to any of our requests.

Results

A. Provider Qualifications

All non-agency nurses are required to be a registered nurse or licensed practical nurse at the direction of a registered nurse practicing within the scope of his or her nursing license pursuant to Chapter 4723 of the Revised Code as an independent provider. See Ohio Admin. Code §5101:3-12-03.1(A)(1).

We verified through the Ohio License Center that the Provider was a Licensed Practical Nurse during the period of our examination.

B. Service Documentation and Service Authorization

Conditions of participation in ODM administered waivers include the requirement to retain all records of service delivery and billing for a period of six years after the date of receipt of the payment based on those records, or until any initiated audit is completed, whichever is longer. *See* Ohio Admin. Code § 5101:3-45-10(A)(11). In addition, the Provider certified and agreed in the Provider agreement to furnish any information maintained for audit and review purposes. Failure to supply requested records within thirty days shall result in withholding of Medicaid or disability medical assistance payments. See Ohio Admin. Code § 5101:3-1-17.2(E).

The Provider did not respond to any notification from us regarding this examination and failed to submit any documentation to support services billed to and paid by Ohio Medicaid during the examination period. In addition, we were unable to apply our planned procedures for examining compliance with service authorization requirements. Therefore, we identified all paid services during the examination period of January 1, 2010 through December 31, 2011 as an overpayment.

Recommendation:

The Provider should comply with the terms of the Provider agreement to furnish information maintained for audit and review purposes. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

Provider Response

A draft report was mailed to the Provider on October 30, 2013 and the Provider was afforded an opportunity to respond to this examination report.

We did not receive a response from the Provider to the results noted above. In addition, the Provider did not submit a signed representation letter.

Dave Yost • Auditor of State

CANDY K. CAIN, LPN

HAMILTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 5, 2013

88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4514 or 800-282-0370 Fax: 614-466-4490
www.ohioauditor.gov