LINDA S. FRAME
MEDINA COUNTY

MEDICAID COMPLIANCE EXAMINATION REPORT

FOR THE PERIOD JANUARY 1, 2009 TO DECEMBER 31, 2011

Dave Yost · Auditor of State

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MEDINA COUNTY

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO PERSONAL CARE AIDE SERVICES

Linda S. Frame
1401 Stanford Drive
Brunswick, Ohio 44212

RE: *Medicaid Provider Number 2711908*

Dear Ms. Frame:

We examined your (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation, and service authorization related to the provision of personal care aide services during the period of January 1, 2009 through December 31, 2011. We tested service documentation to verify that there was support for the date of service, the procedure code, and the units billed to and paid by Ohio Medicaid. In addition, we tested your service documentation to determine if it contained the required elements. We also examined the all services plans to determine if you were authorized to render personal care aide services and reviewed your provider qualifications. The accompanying Compliance Examination Report identifies the specific requirements examined for compliance.

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 express an opinion and report on the Provider's compliance with the specified Medicaid requirements based on our examination. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code and conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and, accordingly, included examining, on a test basis, evidence supporting the Provider's compliance with those Medicaid requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. However, our examination does not provide a legal determination on the Provider's compliance with the specified Medicaid requirements.

Internal Control Over Compliance

The Provider is responsible for establishing and maintaining effective internal control over compliance with the Medicaid requirements. We did not perform any test of the internal controls and we did not rely on the internal controls in determining our examination procedures. Accordingly, we do not express an opinion on the effectiveness of the Provider's internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed that in a material number of instances the Provider did not maintain necessary service documentation to support services billed to, and paid by, Ohio Medicaid.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Provider has complied, in all material respects, with the aforementioned requirements pertaining to provider qualifications, service documentation and service authorization for the period of January 1, 2009 through December 31, 2011.

Our testing was limited to the specified Medicaid requirements detailed in the Compliance Examination Report. We did not test other requirements and, accordingly, we do not express an opinion on the Provider's compliance with other requirements.

We found the Provider was overpaid by Ohio Medicaid for services rendered between January 1, 2009 and December 31, 2011 in the amount of $24,509.74. This finding plus interest in the amount of $1,944.50 totaling $26,454.24 is due and payable to the ODM upon its adoption and adjudication of this examination report. 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 through its 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 because it is responsible for making a final determination regarding recovery of our findings and any accrued interest.

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.

Dave Yost
Auditor of State

June 20, 2014

[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 LINDA S. FRAME

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. 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) 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 or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5160-1-17.2(E)

During the examination period, the Provider furnished personal care aide services and received reimbursement of $192,068.74 for 3,126 personal care aide services rendered on 1,075 dates of service. The Provider rendered services to only one Medicaid recipient and billed for services on 1,075 days out of the 1,095 days in the examination period.

Ohio Medicaid recipients may be eligible to receive personal care aide services that assist the recipient with activities of daily living such as bathing and dressing, general homemaking activities, household chores, personal correspondence, accompanying the consumer to medical appointments or running errands. *See* Ohio Admin. Code § 5160-46-04(B)(1)

Purpose, Scope, and Methodology

The purpose of this examination was to 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 examination period and may be different from those currently in effect.

The scope of the engagement was limited to an examination of personal care aide services that the Provider rendered to one Medicaid recipient and received payment during the period of January 1, 2009 through December 31, 2011.

We received the Provider's claims history from the Medicaid Management Information System (MMIS) and the Medicaid Information Technology System (MITS) database of services billed to and paid by Ohio's Medicaid program. We extracted all services with an allowed amount greater than zero. We selected a simple random sample based on date of service to facilitate a timely and efficient examination of the Provider's services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We then obtained the detailed services for all of the selected dates of service and tested these services during fieldwork.

We reviewed the Providers records for service documentation and provider qualifications and reviewed the all services plans for service authorization.

An engagement letter was sent to the Provider on January 24, 2014 setting forth the purpose and scope of the examination. An entrance conference was held on January 30, 2014. During the entrance conference the Provider described her documentation practices and processes for submitting billing to the Ohio Medicaid program. Our fieldwork was performed following the entrance conference.

Results

We reviewed a statistical sample of 839 services provided on 288 unique dates of service and identified 114 errors. In certain instances, the non-compliance resulted in overpayments and the basis for our findings is described below in more detail. We took exception with 43 of 288 statistically sampled dates of service (114 of 839 recipient services) from a random sample of the Provider's population of paid services. Based on this error rate, we calculated the Provider's correct payment amount for this population, which was $167,559.00, with a 95 percent certainty that the actual correct payment amount fell within the range of $161,108.00 to $174,010.00 (+/- 3.85 percent.) We then calculated findings by subtracting the correct population amount ($167,559.00) from the amount paid to the Provider for this population ($192,068.74), which resulted in a finding of $24,509.74. A detailed summary of our statistical sample and projection results is presented in Appendix I.

A. Provider Qualifications

Prior to rendering services personal care aides are required to complete a competency evaluation program and are required to maintain a current first aid certification. *See* Ohio Admin. Code § 5101:3-46-04(B)(7)(a)(i) and (ii)

We noted a 23-day lapse (from February 11th to March 6th of 2010) in the Provider's first aid certification during our examination period.

Recommendation

The Provider should develop and implement a tracking log to document expiration dates for certifications so that renewals are obtained prior to any lapse. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

Ohio Admin. Code § 5101:3-46-04(B)(8)(g) states that providers must maintain documentation that shows the date of service delivery, tasks performed or not performed, the arrival and departure times and the signatures of the personal care aide and recipient or authorized representative upon completion of service delivery.

Our review of the statistical sample of 839 paid services found 113 services with no service documentation and one service in which the units reimbursed were not supported by the service documentation.

These 114 errors were used in the overall finding projection of $24,509.74.

Recommendation:

The Provider should maintain clinical records in a manner that includes all required elements. The records should include the signature of the Provider and recipient upon completion of service delivery. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

C. All Services Plans

In order to submit a claim for reimbursement, all individuals providing personal care aide services must be identified as the provider on the all services plan that is prior-approved by the designated case management agency. Ohio Admin. Code § 5101:3-46-04(B)(5)(d)

We reviewed the all services plans in effective for our examination period and found the Provider was authorized to render personal care aide services for the period. We also noted the Provider billed only the authorized procedure code.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on July 28, 2014, and the Provider was afforded an opportunity to respond to this examination report.

The Provider stated that she recognized her poor record keeping practices and has corrected these errors. She now maintains records in private, secure location and obtains signatures at the end of each service. The Provider noted that the rules were new to her and she misunderstood many of them or received different feedback from prior case workers. The Provider stated she has provided the best care she could and should not be punished for her ignorance in prior years.

APPENDIX I

Summary of Statistical Sample Analysis
For the period January 1, 2009 through December 31, 2011
Personal Care Aide Services

Description	Results
Type of Examination	Simple Random Sample
Description of Population	All paid services with an allowed amount greater than $0.00
Number of Population Dates of Service	1,075
Number of Population Dates of Service Sampled	288
Number of Population Dates of Service Sampled with Errors	43
Number of Population Services Provided	3,126
Number of Population Services Sampled	839
Number of Services Sampled with Errors	114
Total Medicaid Amount Paid for Population	$192,068.74
Actual Amount Paid for Population Services Sampled	$51,615.34
Projected Correct Population Payment Amount	$167,559.00
Upper Limit Correct Population Payment Estimate at 95% Confidence Level	$174,010.00
Lower Limit Correct Population Payment Estimate at 95% Confidence Level	$161,108.00
Projected Overpayment Amount = Actual Amount Paid for Population Services – Projected Correct Population Amount	$24,509.74
Precision of Estimated Correct Population Payment Amount at the 95% Confidence Level	$6,451.00 (+/-3.85%)

Source: AOS analysis of MMIS and MITS information and the Provider's records.

Dave Yost • Auditor of State

LINDA S, FRAME

MEDINA 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
SEPTEMBER 4, 2014

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