



OHIO AUDITOR OF STATE  
**KEITH FABER**



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**CENTRAL OHIO ELDERLY CARE LLC  
FRANKLIN COUNTY**

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# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
88 East Broad Street  
Columbus, Ohio 43215  
(614) 466-3340  
ContactMCA@ohioauditor.gov

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT HOME HEALTH AND WAIVER SERVICES**

Ohio Department of Medicaid  
50 West Town Street, Suite 400  
Columbus, Ohio 43215

RE: Central Ohio Elderly Care LLC  
*Ohio Medicaid Number: 2707762*

We examined Central Ohio Elderly Care LLC (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of home health nursing; service documentation and service authorization related to the provision of home health aide services; and service documentation and provider qualifications related to the provision of personal care aide services during the period of July 1, 2015 through June 30, 2018.

The Provider entered into an agreement (the Provider Agreement) with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients and to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Management of Central Ohio Elderly Care LLC is responsible for its compliance with the specified requirements. The accompanying Compliance Examination Report identifies the specific requirements examined. Our responsibility is to express an opinion on the Provider's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Provider complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Provider complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Provider's compliance with the specified 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, there was either a lack of documentation or the units billed exceeded the documented duration for home health nursing services.

Central Ohio Elderly Care LLC  
Independent Auditor's Report on  
Compliance with Requirements of the Medicaid Program

**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 for the period of July 1, 2015 through June 30, 2018.

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 identified improper Medicaid payments in the amount of \$382.76. This finding plus interest in the amount of \$24.66 (calculated as of January 28, 2020) totaling \$407.42 is due and payable to the ODM upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the ODM, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27.

This report is intended solely for the information and use of the Provider, the ODM and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties.



Keith Faber  
Auditor of State  
Columbus, Ohio

January 28, 2020

## **COMPLIANCE EXAMINATION REPORT**

### **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 prevention, diagnosis, evaluation or treatment of an adverse health condition. See Ohio Admin. Code § 5160-1-01

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 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(D) and (E)

Ohio Medicaid recipients may be eligible to receive home health services, waiver services or both. According to Ohio Admin Code § 5160-12-01(E), the only provider of home health services is a Medicare certified home health agency (MCRHHA) that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Waiver services can be provided by a person or agency that has entered into a Medicaid Provider Agreement for the purpose of furnishing these services.

The Provider is a MCRHHA and received payment of \$7,335,702 under the provider number examined for 178,790 home health and waiver services. The Provider has a second active Medicaid number (2819123) and received reimbursement of \$366,389 for waiver services administered by the Ohio Department of Developmental Disabilities. There were two other Medicaid numbers associated with the Provider and both were inactive prior to our examination period.

### **Purpose, Scope, and Methodology**

The purpose of this examination was to determine whether Central Ohio Elderly Care LLC's claims for payment 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 home health and personal care aide services as specified below for which the Provider billed with dates of services from July 1, 2015 through June 30, 2018 and received payment. The personal care aide services were to recipients on the Ohio Home Care and Transitions Developmental Disabilities Waivers.

We received the Provider's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. From the total paid services population, we extracted all home health nursing services (skilled nursing – G0154, RN nursing – G0299 and LPN nursing – G0300), home health aide services (G0156) and personal care aide services (T1019) billed under the Medicaid number 2707762. We used a statistical sampling approach to examine services in order to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1).

We developed a two-stage sampling approach for home health nursing and home health aide services. We selected those recipients that received both home health nursing and home health aide services. From this subpopulation, we randomly selected 25 recipients. For each of the 25 recipients, we randomly selected five nursing and five aide services. If the Provider was paid for less than five services for a recipient, we selected all of the services to examine.

**Purpose, Scope, and Methodology (Continued)**

From the total paid personal care aide services population, we summarized the services by recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service. A simple random sample was selected based on RDOS and we then obtained the detailed aide services for each selected RDOS. The calculated sample sizes are shown in **Table 1**.

<b>Table 1: Sample Sizes</b>			
<b>Samples</b>	<b>Population Size</b>	<b>Sample Size</b>	<b>Selected Services</b>
Home Health Nursing (G0154, G0299, G0300)	22,466	108	108
Home Health Aide (G0156)	104,831	125	125
Personal Care Aide (T1019)	9,094 RDOS	102 RDOS	175
<b>Total All Samples</b>			<b>408</b>

A notification letter was sent to the Provider setting forth the purpose and scope of the examination. During the entrance conference, the Provider described its documentation practices and billing process. During fieldwork, we reviewed service documentation and personnel records. We sent preliminary results to the Provider and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

**Results**

The summary results of the compliance examination are shown in **Table 2**. While certain services had more than one error, only one finding was made per service. The noncompliance and basis for the findings is discussed below in more detail.

<b>Table 2: Results</b>				
<b>Samples</b>	<b>Services Examined</b>	<b>Non-compliant Services</b>	<b>Non-compliance Errors</b>	<b>Improper Payment</b>
Home Health Nursing (G0154, G0299, G0300)	108	7	7	\$159.36
Home Health Aide (G0156)	125	5	5	\$141.27
Personal Care Aide (T1019)	175	1	1	\$82.13
<b>Totals:</b>	<b>408</b>	<b>13</b>	<b>13</b>	<b>\$382.76</b>

**A. Provider Qualifications**

*Exclusion or Suspension List*

Per Ohio Admin. Code § 5160-1-17.2(H), in signing the Medicaid provider agreement, the Provider agrees that the individual practitioner or employee of the company is not currently subject to sanction under Medicare, Medicaid, or Title XX; or, is otherwise prohibited from providing services to Medicaid beneficiaries.



**A. Provider Qualifications (Continued)**

We identified 19 nurses and 61 home health and personal care aides in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the ODM's exclusion or suspension list. We found no matches on an exclusion or suspension list. We also compared identified administrative staff names to the exclusion or suspension list and found no matches.

*Nursing Services*

According to Ohio Admin. Code § 5160-12-01(G), home health nursing requires the skills of and is performed by either a registered nurse (RN) or a licensed practical nurse (LPN) at the direction of a RN.

Based on the information from the Ohio e-License Center website, the licenses for the 19 nurses were current and valid on the first date of service found in the sample and were active during the remainder of the examination period.

*Personal Care Aide Services*

In order to submit a claim for reimbursement, all individuals providing personal care aide services must obtain and maintain first aid certification from a class that is not solely internet-based and that includes hands-on training by a certified first aid instructor and a successful return demonstration of what was learned in the course. See Ohio Admin. Code §§ 5160-46-04(B) and 5123:2-9-56(C)

All of the personal care aides examined had valid first aid certification.

**B. Service Documentation**

The MCRHHA must maintain documentation of home health services that includes, but is not limited to, clinical and time keeping records that indicate the date and time span of the service and the type of service provided. See Ohio Admin. Code § 5160-12-03(B)(9)

For personal care aide services the provider must maintain and retain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times and the dated signatures of the provider and the recipient or authorized representative verifying the service delivery upon completion of service delivery. See Ohio Admin. Code §§ 5160-46-04(B)(8) and 5123:2-9-56(E)

For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units.

*Nursing Services Sample*

The 108 services examined contained five services in which the units billed exceeded the documented duration and two services in which there was no documentation to support the payment. These nine errors are included in the improper payment of \$159.36.

*Home Health Aide Services Sample*

The 125 services examined contained three services in which the units billed exceeded the documented duration. These three errors are included in the improper payments of \$141.27.

**B. Service Documentation (Continued)**

*Personal Care Aide Services Sample*

The 175 services examined contained one service in which there was no documentation to support the payment. This error is included in the improper payment of \$82.13.

**Recommendation:**

The Provider should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

**C. Authorization to Provide Services**

All home health providers are required by Ohio Admin. Code § 5160-12-03 to create a plan of care for recipients indicating the type of services to be provided to the recipient and the plan is required to be signed by the recipient's treating physician.

*Nursing Services Sample*

All of the 108 services examined were authorized by a signed plan of care.

*Home Health Aide Services Sample*

The 125 services examined contained two services in which the plan of care did not authorize home health aide services. These two errors are included in the improper payment of \$141.27.

**Recommendation:**

The Provider should ensure that services rendered are consistent with the approved plans of care and should not bill Ohio Medicaid for services not authorized by the treating physician. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

The Provider was afforded an opportunity to respond to this examination report. The Provider declined to submit an official response to the resulted noted above.

# OHIO AUDITOR OF STATE KEITH FABER



**CENTRAL OHIO ELDERLY CARE, LLC**

**FRANKLIN 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  
FEBRUARY, 13 2020**