



OHIO AUDITOR OF STATE
KEITH FABER



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Independent Accountants' Report on Applying Agreed-Upon Procedures

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

RE: Richland County Board of Developmental Disabilities dba Raintree
Ohio Medicaid Number 0496842

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Medicaid (ODM) and the Ohio Department of Developmental Disabilities (DODD), on the Medicaid ICF-IID Cost Report of Richland County Board of Developmental Disabilities dba Raintree (hereafter referred to as the Provider) for the period January 1, 2018 through December 31, 2018. The Provider's management is responsible for preparing the Medicaid ICF-IID Cost Report. The sufficiency of these procedures is solely the responsibility of ODM and DODD. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Unless otherwise specified, Raintree provided all reports used in the procedures and this report only describes exceptions exceeding \$500 and resulting in decreased costs.

Occupancy and Usage

1. We compared the number of Medicaid and non-Medicaid patient days from the Daily Census and the Summary of Beds and Inpatient Days reports to *Schedule A-1, Summary of Inpatient Days*. We reported a variance in the Appendix for unreported days.
2. We selected eight residents' medical records for one month during 2018 and compared the total days in care with the inpatient days reported on the Daily Census and Summary of Beds and Inpatient Days reports and *Schedule A-1*. We found no omitted days.

Revenue

1. We compared the Working Trial Balance, Adjusted & FS Trial Balance and Medicaid Revenue Analysis reports with *Attachment 1, Revenue Trial Balance*, the Appendix to Ohio Admin. Code § 5123-7-12 and CMS Publication 15-1. We found no variances.
2. We scanned the Working Trial Balance and Adjusted & FS Trial Balance for any revenue offsets or applicable credits which were not reported on *Attachment 2, Adjustments to Trial Balance; Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; or Schedule C, Indirect Cost Care Center* to offset corresponding expenses in accordance with CMS Publication 15-1, Chapters 1, 6, and 8. We did not identify any revenue offsets/applicable credits.

Medicaid Paid Claims

1. We selected paid claims for one month from the Quality Decision Support System (QDSS) for the eight residents selected in the Occupancy and Usage procedure and compared reimbursed days to the days documented per the residents' medical records.

Medicaid Paid Claims (Continued)

We also compared the medical records to the general requirements of CMS Publication 15-1, Chapter 23; Ohio Admin. Code §§ 5123:2-7-12, 5123:2-3-04, and 5160-1-17.2; and the payment adjustment requirements for resident's admission, discharge or death in Ohio Admin. Code § 5123:2-7-15. We found errors for two of the residents and identified a recoverable finding.

Recoverable Finding: \$700.58

The Provider was paid for two residents on the date of death. We calculated a recoverable finding of \$700.58 based on the payments for these two days.

We also compared the medical records and documentation of authorized bed hold days in excess of 30 in a calendar year for compliance with Ohio Admin. Code § 5123:2-7-08. We found no unauthorized bed hold days. We also found no waiver respite days not in compliance with Ohio Admin. Code § 5123:2-7-03.

2. We compared the paid Medicaid days per QDSS with the total Medicaid days reported on *Schedule A-1*. We found reported days exceeded paid days.

Non-Payroll Expenses

1. We compared all non-payroll expenses on *Schedules B-1, B-2 and C* to the General Ledger, Trial Balance reports, Adjusting Journal Entry, Expenses Paid from Operations Budget, Agency Administrative Total Costs, and Home Office Allocation reports. We found no variances resulting in decreased costs on any schedule.
2. We scanned the General Ledger and selected 20 non-payroll expenses and five home office expenses from *Schedules B-1, B-2, and C* and compared supporting documentation to Ohio Admin. Code § 5123-7-12, the Cost Report Instructions for ICF-IID and CMS Publication 15-1. We reported variances in the Appendix.
3. We scanned for any unreported contract costs which would require reporting on *Schedule C-3, Costs of Services from Related Parties*. We reported omitted contracts in the Appendix.
4. We compared the methodology used in the Home Office Allocation reports for *Schedules B-1, B-2 and C* to Ohio Admin. Code § 5123-7-12 and CMS Publication 15-1, Section 2150. We found no reclassification or adjustments resulting in decreased costs exceeding five percent.
5. We compared the 2018 non-payroll costs reported on *Schedule B-1, B-2 and C* by chart of account code to similar reported costs in 2017. We obtained the following explanations for five non-payroll variances that increased by more than five percent and \$500:
 - Medical Supplies - Medicare Non-Billable costs on *Schedule B-1* and universal precaution supplies increased on *Schedule C* due to increased medical needs of residents;
 - Social Services/Pastoral Care costs increased on *Schedule B-2* due to new services provided;
 - Water and Sewage costs increased on *Schedule B-1* due to rate increases; and
 - Minor Equipment costs increased on *Schedule C* due to fewer assets added over the capitalization threshold.

Property

1. We compared the initial square footage and year of construction of the 721 Scholl Road facility from the Richland County Auditor's Property records to *Attachment 9, Fair Rental Value Survey*. We found no differences in the square footage variances exceeding 10 percent. We reported a difference in the year of construction in the Appendix.

We also compared the square footage and year of construction for two removals from the DODD conversion projects letter to *Attachment 9, Log 1: Additional and Removals* and the Cost Report Instructions. We found no variances,

2. We compared the project year, type and cost for five renovations from the invoices and other supporting documentation to *Attachment 9, Log 2: Renovations Projects*. We also compared the type and cost of the renovation to the Cost Report Instructions. We reported variances for three of the renovations in the Appendix.
3. We compared the square footage and year of construction of 314 Cleveland Avenue facility from *Attachment 9: Log 3: Secondary Buildings* to the Richland County Property records. We found variances in the square footage as reported in the Appendix.

We compared the utilization percentage from the Home Office Allocation report to *Attachment 9, Log 3*, the Cost Report Instructions and CMS Publication 15-1. We found no variance exceeding 10 percent.

4. We compared equipment depreciation from *Schedule D, Analysis of Property, Plant, and Equipment* to the Depreciation Expense Report and Trial Balance. We also compared the costs to the Cost Report Instructions and CMS Publication 15-1. We found no variances exceeding \$500.

We selected one capital asset each from account 8040 and calculated the first year's depreciation based on the Cost Report Instructions and useful lives prescribed in Appendix A of Ohio Admin. Code § 5123:2-7-18. We compared the recalculated depreciation to the reported depreciation and found no variances greater than \$500 resulting in decreased costs.

Payroll

1. We compared all salary, fringe benefits, payroll tax entries and hours worked on the Salary and Benefit Expense Report and Trial Balance reports to *Schedule B-1; Schedule B-2; Schedule C; and Schedule C-1, Administrator's Compensation*. We found no variances.
2. We selected a sample of five employees and two contracted individuals reported on *Schedules B-1, B-2, C and C-1*. We compared the Job Description report and one month of timesheets to the schedule in which each employee's salary and fringe benefit expenses were reported. We confirmed the payroll costs were properly classified, allocated and allowable in accordance with Ohio Admin. Code § 5123-7 and to CMS Publication 15-1, Chapter 9 and Section 2150. We found no variances between schedules.
3. We compared the 2018 payroll costs on *Schedules B-1, B-2, C, and C-1* by chart of account code to similarly reported 2017 costs. We obtained the following explanations for five payroll variances that increased by more than five percent and \$500:
 - Registered Nurse costs increased on *Schedule B-2* due to an increase in FTEs;
 - Physical Therapist and Occupational Therapist costs increased on *Schedule B-2* due to an increase in therapy services needed;
 - Dietary Personnel costs increased on *Schedule C* due to additional staff; and
 - Housekeeping costs increased on *Schedule C* due to labor hours increases.

Richland County Board of Developmental Disabilities dba Raintree
Independent Accountants' Report on
Applying Agreed-Upon Procedures

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Medicaid ICF-IID Cost Report. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

July 13, 2020

Appendix
Richland County Board of Developmental Disabilities dba The Raintree
Medicaid ICF-IID Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A-1 Summary of Inpatient Days				
6. June - Authorized Days (2)	885	3	888	To correct reported days
Schedule C Indirect Care Cost Center				
53. Minor Equipment - 7350 - Other/Contract Wages (2)	\$ 12,844	\$ (2,000)	\$ 10,844	To remove capital asset expense
Schedule C-3				
8. Contacts In Effect During Reporting Period				
Contractor Name		Medline Industries	Medline Industries	To add contracts greater than \$10,000
Contract Amount		\$ 54,858	\$ 54,858	To add contracts greater than \$10,000
Goods or Services Provided		Medical and	Medical and	
Contractor Name		Nutritional Supplies	Nutritional Supplies	To add contracts greater than \$10,000
Contract Amount		NEON COG	NEON COG	To add contracts greater than \$10,000
		\$ 1,358,000	\$ 1,358,000	To add contracts greater than \$10,000
Goods or Services Provided		Services under ISP	Services under ISP	
Contractor Name		plan	plan	To add contracts greater than \$10,000
Contract Amount		Pediatric	Pediatric	
		Development	Development	To add contracts greater than \$10,000
Goods or Services Provided		\$ 178,631	\$ 178,631	To add contracts greater than \$10,000
		Lease of Property	Lease of Property	To add contracts greater than \$10,000
Schedule D Capital Cost Center				
Attachment 9				
Initial Construction				
Year of Initial Construction	1981	(1)	1980	To correct year of construction
Fair Rental Value Log 2: Renovation Projects Log				
Project Description				
Line 3. 2012 Renovations/Improvements - Project Cost	\$ 294,406	\$ (3,580)	\$ 290,826	To correct costs for renovations
Line 4. 2011 Renovations/Improvements - Project Cost	\$ 87,290	\$ (1,123)	\$ 86,167	To remove costs already included in 2010 renovations
Line 5. 2010 Renovations/Improvements - Project Cost	\$ 62,188	\$ (1,123)	\$ 61,065	To remove duplicate costs
Fair Rental Value Log 3: Secondary Buildings				
Building Type				
Home Office/Records Storage - Total Square Footage	12,730	(2,330)	10,400	To match secondary square footage to property records

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OHIO AUDITOR OF STATE KEITH FABER



RICHLAND COUNTY BOARD OF DEVELOPMENTAL DISABILITIES DBA RAINTREE

RICHLAND 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
JULY 28, 2020**