



OHIO AUDITOR OF STATE
KEITH FABER



**BUREAU OF DRUG ABUSE, CLEVELAND TREATMENT CENTER, INC.
CUYAHOGA COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT SUBSTANCE USE DISORDER SERVICES

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

RE: Bureau of Drug Abuse, Cleveland Treatment Center, Inc.
Ohio Medicaid Number: 2916876 NPI Number: 1619934676

We examined the Bureau of Drug Abuse, Cleveland Treatment Center, Inc.'s¹ (CTC's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of individual counseling services and provider qualifications and service documentation related to the provision of methadone administration services during the period of January 1, 2018 through June 30, 2018. We also included in our scope methadone administration services to recipients that received greater than one daily administration.

CTC entered into an agreement (the Provider Agreement) with the Ohio Department of Medicaid (the Department) 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 reimbursements made by Ohio Medicaid. Management of CTC is responsible for its compliance with the specified requirements. The accompanying Compliance Section identifies the specific requirements examined. Our responsibility is to express an opinion on CTC'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 CTC complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether CTC 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 modified opinion. Our examination does not provide a legal determination on CTC's compliance with the specified requirements.

Internal Control over Compliance

CTC 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 CTC's internal control over compliance.

¹ The agency identifies itself as the Cleveland Treatment Center.

Basis for Adverse Opinion

Our examination disclosed that, in a material number of instances, individual counseling services contained no treatment plan to authorize the service, no documentation to support the payment and were rendered by an unqualified person. In addition, in a material number of instances when more than one unit of methadone administration service was billed for the same recipient, there was no documentation to support the payment.

Adverse Opinion on Compliance

In our opinion, CTC has not complied, in all material respects, with the specified requirements pertaining to individual counseling and methadone administration services for the period of January 1, 2018 through June 30, 2018.

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

We identified improper Medicaid payments in the amount of \$145,232.83. This finding plus interest in the amount of \$11,677.32 (as of August 26, 2021) totaling \$156,910.15 is due and payable to the Department upon its adjudication of this examination report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27 If waste and abuse are suspected or apparent, the Department and/or the Office of the Attorney General will take action to gain compliance and recoup inappropriate or excess payments.² Ohio Admin. Code § 5160-1-29(B)

This report is intended solely for the information and use of CTC, the Department 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

August 26, 2021

² "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 SECTION

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)

Under provider number 2916876, CTC is identified as an Ohio Department of Mental Health and Addiction Services licensed treatment program and received \$1,105,071 in fee-for-service payments for 67,983 services during the examination period.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether CTC's Medicaid 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 for the engagement was limited to methadone administration services (H0020) and individual counseling services (H0004) as specified below for which CTC billed with dates of service from January 1, 2018 through June 30, 2018 and received payment. We received CTC's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all claims paid at zero, third-party payments and managed care encounters.

From the total paid services population, we extracted all methadone administration services. We then extracted all recipient dates of service (RDOS) in which more than one unit of methadone administration service was billed for the same recipient. An RDOS is defined as all services for a given recipient on a specific date of service. We selected all 191 RDOS that matched this criteria and tested the 405 services that comprised the 191 RDOS in their entirety (Methadone Administration Services - Greater than One Daily Administration Exception Test). From the remaining population of methadone administration services, we selected a simple random sample.

Finally, from the remaining total paid services population, we extracted all individual counseling services and selected a simple random sample. 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). **Table 1** shows the exception test and samples selected.

Table 1: Exception Test and Sample Sizes		
Universe	Population Size	Services Selected
Methadone Administration Services - Greater than One Daily Administration (H0020)	191 RDOS	405
Individual Counseling Services (H0004)	2,002	93
Methadone Administration Services (H0020)	61,311	61
Total		559

Purpose, Scope, and Methodology (Continued)

A notification letter was sent to CTC setting forth the purpose and scope of the examination. During the entrance conference, CTC described its documentation practices, personnel related procedures and billing process. During fieldwork, we reviewed service documentation and personnel records. We sent preliminary results to CTC and it submitted no additional documentation.

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 are discussed below in more detail.

Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Test				
Methadone Administration Services - Greater than One Daily Administration	405	231	231	\$3,354.28
Samples				
Individual Counseling Services	93	83	99	\$141,838.00 ¹
Methadone Administration Services	61	3	3	\$40.55
Totals	559	317	333	\$145,232.83

¹ The overpayments identified for 83 services from a simple random sample were projected across CTC's population of individual counseling (H0004) services resulting in a projected overpayment of \$141,838 with a 95 percent degree of certainty that the true population overpayment amount fell within the range of \$130,533 to \$153,143 (+/- 7.97 percent). A detailed summary of our statistical sample and projection results is presented in the **Appendix**.

A. Provider Qualifications

Per Ohio Admin. Code § 5160-1-17.2(H), in signing the Medicaid provider agreement, a 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.

We identified 13 individuals in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We found no matches on the exclusion/suspension list. We also compared identified owners and administrative staff names to the exclusion database and exclusion/suspension list and found no matches.

For the five certified practitioners and eight licensed practitioners, we verified via the Ohio e-License Center website that their certifications or licenses were current and valid on the first date of service found in our selected services and were active during the remainder of the examination period. We identified one individual that did not have current and valid certification on all of the dates where she was identified as the rendering practitioner.

Individual Counseling Services Sample

We found one practitioner with a 55 day lapse in her certification who rendered five individual counseling services during that 55 day period. These five errors are included in the projected improper payment amount of \$141,838.

A. Provider Qualifications (Continued)

Recommendation

CTC should review the Ohio Medicaid rules and improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. CTC should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

Documentation requirements include the date, time of day, and duration of service contact. See Ohio Admin. Code § 5160-8-05(F). For errors where units billed exceeded the documented duration, the improper payment was based on the unsupported units.

Methadone Administration Services Greater than One Daily Administration Exception Test

The 405 services examined contained 231 instances (57 percent) in which there was no documentation to support the payment. CTC attributed these errors to the individuals that performed the billing function during the examination period. These 231 errors resulted in the improper payment amount of \$3,354.28.

Individual Counseling Services Sample

The 93 services examined contained 12 instances in which there was no documentation to support the payment and three instances in which the units billed exceeded the documented duration. These 15 errors are included in the projected improper payment amount of \$141,838.

Methadone Administration Services Sample

The 61 services examined contained three instances which there was no documentation to support the payment. These three errors resulted in the improper payment amount of \$40.55.

Recommendation

CTC should review its quality assurance process to ensure that documentation is present, complete, and accurate and that units billed are supported by the documentation prior to submitting claims for reimbursement. CTC should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Authorization to Provide Services

A treatment plan must be completed within five sessions or one month of admission, whichever is longer, must specify mutually agreed treatment goals and track responses to treatment and is expected to bear the signature of the professional who recorded it. See Ohio Admin. Code § 5160-8-05(F)

We requested treatment plans for all of the examined individual counseling services and we used paid services in Medicaid database to determine the number of prior sessions. We did not identify an error for no treatment plan if there were fewer than five prior sessions. We did not examine authorization to provide methadone administration services.

Individual Counseling Services Sample

The 93 services examined contained 79 services in which there was no treatment plan to authorize the service. CTC attributed these errors primarily to a high staff turnover rate that occurred during the examination period. These 79 errors are included in the projected improper payment amount of \$141,838.

C. Authorization to Provide Services (Continued)

Recommendation

CTC should develop and implement controls to ensure all individual treatment plans are completed within the required timeframe. CTC should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

CTC stated it acknowledges and accepts the results of the compliance examination and outlined the following actions in response:

- Increased the frequency of test of the internal controls and expanded the sample size of records and documents reviewed to capture a more inclusive analysis of data needed related to quality/performance improvement and risk management;
- Secured a billing specialist with a documented history in Medicaid and insurance billing; and
- Reviewing documentation preprocessing and reporting identified remittance errors to the Fiscal Director to process for repayment.

We did not examine CTC's response and, accordingly, we express no opinion on it.

Appendix

Summary of Individual Counseling Services Sample

POPULATION

The population is all paid individual counseling services, net of any adjustments, where the service was billed with dates of service during the period of January 1, 2018 through June 30, 2018 and payment was made by the Department.

SAMPLING FRAME

The sampling frame for this sample is paid and processed claims from the Medicaid Information Technology System (MITS). This system contains all Medicaid payments and all adjustments made to Medicaid payments by the State of Ohio.

SAMPLE UNIT

The sampling unit was a service.

SAMPLE DESIGN

We used a simple random sample.

Description	Results
Number of Services in Population	2,002
Number of Services Sampled	93
Number of Services Sampled with Errors	83
Total Medicaid Amount Paid for Population	\$153,927.59
Amount Paid for Services Sampled	\$7,315.77
Estimated Overpayment (Point Estimate)	\$141,838
Upper Limit Overpayment Estimate at 95% Confidence Level	\$153,143
Lower Limit Overpayment Estimate at 95% Confidence Level	\$130,533
Precision of Population Overpayment Projection at the 95% Confidence Level	\$11,305 (+/- 7.97%)

Source: Analysis of MITS information and the Provider's records

OHIO AUDITOR OF STATE KEITH FABER



BUREAU OF DRUG ABUSE, CLEVELAND TREATMENT CENTER, INC.

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 11/4/2021

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This report is a matter of public record and is available online at
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