



OHIO AUDITOR OF STATE
KEITH FABER



**MODERN PSYCHIATRY AND WELLNESS LLC
BUTLER 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 SUBSTANCE USE DISORDER SERVICES

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

RE: Modern Psychiatry and Wellness LLC
Ohio Medicaid Number: 0118852 NPI Number: 1225260888

We examined Modern Psychiatry and Wellness LLC (the Provider's) compliance with specified Medicaid requirements during the period of January 1, 2018 through June 30, 2018. We examined the provider qualifications, service documentation and service authorization related to the provision of substance abuse disorder withdrawal management with extended on site monitoring (withdrawal management) – hourly and intensive outpatient program (IOP) and group counseling when these two services were billed for a recipient on the same date. We also examined the service documentation and provider qualifications related to the provision of withdrawal management – per diem.

For IOP services, we also examined all instances in which two or more units of IOP were billed on the same date. In addition, we tested a select number of group counseling and IOP services on dates in which only one of these services were billed for a recipient.

The Provider entered into an 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 payments made by Ohio Medicaid. Management of Modern Psychiatry and Wellness 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 Adverse Opinion

Our examination disclosed that in a material number of instances, the Provider did not have a treatment plan for IOP and group counseling services, the treatment plan did not authorize withdrawal management – hourly services, and the Provider did not have supporting documentation for group counseling and withdrawal management – per diem services.

The examination confirmed that the Provider had billed duplicate units of IOP services. In addition, in 20 of these instances the Provider submitted two IOP clinical notes for the same recipient, date and time. We found that in these 20 instances, the notes were written by different practitioners and discussed different group topics and discussions. We were unable to determine which, if either, of the duplicate notes were valid.

Adverse Opinion on Compliance

In our opinion, the Provider has not complied, in all material respects, with the aforementioned requirements for group counseling, withdrawal management – hourly, withdrawal management – per diem and IOP 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 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 \$29,835.24. This finding plus interest in the amount of \$2,653.91 (calculated as of June 15, 2021) totaling \$32,489.15 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 In addition, if fraud, waste and abuse¹ are suspected or apparent, the ODM and/or the office of the attorney general will take action to gain compliance and recoup inappropriate or excess payments in accordance with rule 5160-1-27 of the Administrative Code.

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

June 15, 2021

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 constitutes 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

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)

Addiction Services

Under provider number 0118852, the Provider is identified as an Ohio Department of Mental Health and Addiction Services licensed treatment program and received payment of \$2,731,129 during the examination period from the Ohio Medicaid program for 35,661 services. The Provider also received \$95,475 in managed care payments which were not included in the scope of the examination. The Provider has two locations in Hamilton and one location in West Chester under the same provider number.

Mental Health Services

Under provider number 0415192, the Provider is identified as an Ohio Department of Mental Health provider. This provider number became active after our examination period and we did not examine any payments associated with this number.

The owner of Modern Psychiatry and Wellness LLC also operated another corporation, Genesis Center of Excellence. Both agencies listed with the same address in Hamilton, Ohio. In addition, Modern Psychiatry and Wellness has three fictitious names: Genesis Health & Life, Genesis Life and Wellness and Genesis Health. The Provider indicated it operates a sober home under the name of Genesis.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the Provider'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 group counseling (procedure code H0005), IOP (H0015), withdrawal management with extended on-site monitoring (withdrawal management) – per diem (H0012), withdrawal management – hourly (H0014) as described below for which the Provider billed with dates of service from January 1, 2018 through June 30, 2018 and received payment.

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 removed all claims paid at zero, Medicare co-payments, third-party payments and managed care encounters. During our planning, we noted instances in which the Provider billed two or more units of IOP services on the same recipient date of service (RDOS) even though this service is paid at a per diem rate. An RDOS is defined as all services for a given recipient on a specific date of service.

Purpose, Scope, and Methodology (Continued)

Based on this, we extracted all IOP services with two or more units on the same day to test in their entirety (Greater than One IOP Service Exception Test). From the remaining population, we extracted all group counseling and IOP services billed for the same recipient on the same day.

We then extracted all withdrawal management – per diem and withdrawal management - hourly services into separate files. 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 selected a simple random sample from each of the three files.

We also selected 10 services each from the remaining population of group counseling and IOP services to ensure consistency of documentation.

The exception test, calculated sample sizes and additional selected services are shown in **Table 1**.

Table 1: Exception Test and Sample Sizes			
Universe	Population Size	Sample Size	Selected Services
Exception Test			
Greater than One IOP Service (H0015)	123 RDOS		250
Samples			
Group Counseling and IOP Services on the Same Day (H0005 and H0015) ¹	4,069 RDOS	58 RDOS	116
Withdrawal Management – Per Diem (H0012)	332 Services	75 Services	75
Withdrawal Management – Hourly (H0014)	830 Services	86 Services	86
Additional Services			
Additional Group Counseling Services (H0005)			10
Additional IOP Services (H0015)			10
Total			547

¹ This sample contained 58 group counseling and 58 IOP services for total of 116 services.

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.

Modern Psychiatry and Wellness LLC
 Butler County
 Independent Auditor's Report on
 Compliance with Requirements of the Medicaid Program

Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Test				
Greater than One IOP Service	250	144	144	\$19,808.74
Samples				
Group Counseling and IOP Services on the Same Day	116	30	32	\$2,333.24
Withdrawal Management – Per Diem	75	13	13	\$4,684.68
Withdrawal Management – Hourly	86	10	11	\$2,829.86
Additional Services				
Additional Group Counseling Services	10	1	1	\$28.84
Additional IOP Services	10	1	1	\$149.88
Total	547	199	202	\$29,835.24

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.

We identified 35 individual practitioners 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 the exclusion or suspension list. We also compared identified owners and administrative staff names to the exclusion or suspension list and found no matches.

For the 23 licensed and 12 certified practitioners identified in the service documentation for this examination, 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.

According to Ohio Admin. Code 5160-27-01, independently licensed practitioners shall have an active provider agreement with the Ohio Department of Medicaid. We searched the Medicaid Information Technology System and verified that all of the 14 identified independently licensed practitioners had an active provider agreement.

B. Service Documentation

Documentation requirements include the date, time of day and duration of the 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 unsupported units. For errors where the incorrect modifier was billed, the improper payment was based on the difference between the amount that was reimbursed and the amount that should have been reimbursed.

B. Service Documentation (Continued)

Greater than One IOP Service Exception Test

For this exception test, we looked at 123 RDOS in which two or more units of IOP was billed and these RDOS included 250 IOP services.

The 250 services contained the following errors:

- 125 services for which there is no support for the duplicate payment;
- 11 instances, after accounting for the duplicate services, in which there was no documentation to support the payment;
- 6 instances in which the incorrect modifier was billed resulting in an overpayment;
- 1 instance in which the service duration requirement was not met; and
- 1 instance in which a group counseling service was billed with the wrong procedure code.

These 144 errors resulted in an improper payment amount of \$19,808.74.

For one error, the Provider had documentation for a separate group counseling service and a review of paid claims indicated that this additional group had not been billed. For this error, we identified an improper payment based on the difference in the rate for IOP and group counseling.

In examining records for this exception test, we found 20 instances in which the Provider submitted two documents for the same recipient, service date, time of day and procedure code but contained conflicting information. These notes indicated different practitioners rendered the IOP service and that the topic and contents of the session along with the recipient's response was different. We identified an improper payment for only one of the duplicate payments in these 20 instances.

The Provider indicated that billing for more than one IOP service per day was a billing error caused by employees that did not fully understand the billing process. In addition, the Provider stated that it now contracts with a vendor to perform billing.

Group Counseling and IOP Services on the Same Day Sample

The 116 services examined contained the following errors:

- 11 instances (9 group counseling and 2 IOP services) in which there was no documentation to support the payment;
- 2 instances in which the IOP service duration requirement was not met; and
- 1 instance in which the incorrect modifier was billed for group counseling service resulting in an overpayment.

These 14 errors are included in the improper payment amount of \$2,333.24.

Withdrawal Management – Per Diem Sample

The 75 services examined contained 13 instances (17 percent) in which there was no documentation to support the payment. These errors resulted in the improper payment amount of \$4,684.68.

The Provider submitted a description of its withdrawal management service which included: medication daily to assure safety and ease of withdrawal, nursing staff monitoring throughout the course of the day; individual and group counseling; and case management services. However, the documentation submitted often only reflected an assessment of the recipient, including a narrative of the recipient's history and a brief session which averaged 30 minutes in duration. The service documentation did not reflect any nursing staff monitoring the recipient throughout the day.

B. Service Documentation (Continued)

Withdrawal Management – Hourly Sample

The 86 services examined contained three instances in which the units billed exceeded documented duration and one instance in which there was no documentation to support the payment. These four errors are included in the improper payment amount of \$2,829.86.

Additional Group Counseling Services

We found no inconsistencies with the supporting documentation; however, there was no documentation to support one of the 10 payments. This error resulted in the improper payment amount of \$28.84.

Additional IOP Services

We found no inconsistencies with the supporting documentation; however, there was no documentation to support one of the 10 payments. This error resulted in the improper payment amount of \$149.88.

Recommendation

The Provider should implement a quality review process to ensure that documentation is present, complete and accurate prior to submitting claims for reimbursement. In addition, the Provider should ensure that units billed are supported by documentation. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings. We also recommend the Provider seek technical assistance to ensure it is billing the per diem rate for withdrawal management correctly and that ODM monitor the Provider's billing to ensure that this issue is fully addressed.

C. Authorization to Provide Services

A treatment plan must be completed within five sessions or a 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)

Group Counseling and IOP Services on the Same Day Sample

The 116 services examined contained 18 instances (nine group counseling and nine IOP services) in which there was no treatment plan to cover the date of service. These 18 errors are included in the improper payment amount of \$2,333.24.

Withdrawal Management – Hourly Sample

The 86 services examined contained five instances in which the treatment plan did not authorize the service and two instances in which there was no treatment plan to cover the date of service. These seven errors are included in the improper payment amount of \$2,829.86.

Recommendation

The Provider should develop and implement controls to ensure that all treatment plans are completed within the required timeframe and services billed are authorized by a treatment plan. The Provider should address these issues to ensure compliance with Medicaid rules and avoid future findings.

Official Response

The Provider declined to submit an official response to the results noted above.

OHIO AUDITOR OF STATE KEITH FABER



MODERN PSYCHIATRY AND WELLNESS LLC

BUTLER 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 6/29/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov