



OHIO AUDITOR OF STATE  
**KEITH FABER**





TY N. TRACY, D.C.  
SANDUSKY COUNTY

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# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT ACUPUNCTURE AND CHIROPRACTIC SERVICES**

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

RE: Ty N. Tracy, D.C.  
Ohio Medicaid Number: 2117220 NPI: 1326060666

We examined Ty N. Tracy, D.C. (the Provider's) compliance with specified Medicaid requirements for provider qualifications and service documentation related to the provision of acupuncture and chiropractic services during the period of January 1, 2018 through December 31, 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. The Provider 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, the Provider lacked service documentation to support chiropractic services billed.

***Qualified Opinion on Compliance***

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Provider complied, in all material respects, with the aforementioned requirements of chiropractic and acupuncture services for the period of January 1, 2018 through December 31, 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 \$487.95. This finding plus interest in the amount of \$31.41 (calculated as of the date of this report) totaling \$519.36 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

April 12, 2021

## **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(A) and (B)

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)

Ty N. Tracy is a licensed chiropractor and acupuncturist located in Fremont, Ohio. The Provider Agreement identifies the Provider as a chiropractor individual with a legal entity name of Woodville Professional Healthcare, LLC which is registered with the Ohio Secretary of State. There is no associated provider number for Woodville Professional Healthcare, LLC in the Medicaid Information Technology System.

Under the provider number examined, the Provider received payment of \$101,580.83 during the examination period for 4,812 chiropractic and acupuncture services<sup>1</sup>.

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

The purpose of this examination was to determine whether the Provider'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 an examination of chiropractic and acupuncture services as specified below for which the Provider billed with dates of service from January 1, 2018 through December 31, 2018 and received payment.

We received the Provider's fee-for-service claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We also requested claims data for the Providers services paid by three of the Medicaid managed care organizations (MCOs). The MCOs' claims data showed that the services rendered by the Provider were paid to the tax identification number of Ty N. Tracy.

From the combined fee-for-service and managed care population, we removed all services paid at zero. From the remaining population, we summarized acupuncture services (procedure codes 97810, 97811, 97813 and 97814) by recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service. We maintained the remaining population of chiropractic services (procedure codes 98940, 98941 and 98942) in a separate file. We selected a simple random sample from each of these two categories of services.

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<sup>1</sup> Totals reported include fee-for-service payments of \$8,351.01 and managed care payments of \$93,229.82 from the following Medicaid managed care organizations: CareSource, Buckeye Health Plan and Paramount Advantage.

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

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). The selected services are shown in **Table 1**.

<b>Table 1: Selected Services</b>			
<b>Universe</b>	<b>Population Size</b>	<b>Sample Size</b>	<b>Selected Services</b>
<b>Sample</b>			
Acupuncture Services (97810, 97811, 97813, 97814)	1,660 RDOS	97 RDOS	193
Chiropractic Services (98940, 98941, 98942)	1,498	96	96
<b>Total</b>			<b>289</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 his documentation practices and billing process. During fieldwork, we reviewed service documentation. We sent preliminary results to the Provider and he 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**. The non-compliance and basis for findings is discussed below in more detail.

<b>Table 2: Results</b>				
<b>Universe</b>	<b>Services Examined</b>	<b>Non-compliant Services</b>	<b>Non-compliance Errors</b>	<b>Improper Payment</b>
<b>Sample</b>				
Acupuncture Services	193	2	2	\$42.50
Chiropractic Services	96	24	24	\$445.45
<b>Total</b>	<b>289</b>	<b>26</b>	<b>26</b>	<b>\$487.95</b>

**A. Provider Qualifications**

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 compared the Provider's name to the Office of Inspector General exclusion database and the ODM's exclusion or suspension list. We found no match on the exclusion or suspension list. We also compared the identified Clinic Manager to the exclusion or suspension list and found no match.

According to Ohio Admin. Code § 5160-8-51(B)(2), acupuncture services require a valid certificate to practice as an acupuncturist or oriental medicine practitioner and according to Ohio Admin. Code § 5160-8-11(B)(1), chiropractic services may be rendered by a licensed chiropractor.



**A. Provider Qualifications (Continued)**

We verified via the Ohio e-License Center website that the Provider was licensed by the Ohio Medical Board as a chiropractor and certified as an acupuncturist and the license and certification were current and valid during the examination period.

**B. Service Documentation**

All Medicaid providers are required by Ohio Admin. Code § 5160-1-27(A) to keep records to establish medical necessity and meet requirements that include, but are not limited to, disclosing the type, extent and duration of services provided to Medicaid recipients. We applied these requirements to both samples.

*Acupuncture Services Sample*

The 193 services examined contained two instances in which there was no documentation to support the payment. These two errors resulted in an improper payment of \$42.50.

Ohio Admin. Code § 5160-8-51(D)(5) states that no payment will be made for additional treatment if symptoms show no evidence of clinical improvement after an initial treatment period or if symptoms worsen over a course of treatment. The documentation submitted by the Provider did not include any indication of improving or worsening symptoms.

*Chiropractic Services Sample*

The 96 services examined contained 24 instances in which there was not sufficient documentation to support the payment. The Provider had patients sign in with receptionist and provided sign-in sheets along with a card that documented the date and the procedure code to bill for the 24 services but this documentation did not include any service narrative to support the extent of services and Medicaid coverage. These 24 errors resulted in an improper payment of \$445.45.

The Provider stated that information from the card described above is generally entered into the electronic health record (EHR) and the system produces service documentation. The Provider submitted documentation from the EHR for the remaining 72 services in the sample.

**Recommendation**

The Provider should establish a system to ensure sufficient documentation is present to support services before they are billed. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

The Provider sent a check in the amount of \$487.95. We forwarded the payment to the ODM.

# OHIO AUDITOR OF STATE KEITH FABER



TY N. TRACY, D.C.

SANDUSKY 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 5/6/2021

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)