



OHIO AUDITOR OF STATE
KEITH FABER



OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit
65 East State 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 PHARMACY SERVICES

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

RE: Exact Care Pharmacy, LLC
Ohio Medicaid Number: 02914832 National Provider Identifier: 1780823500

We examined compliance with specified Medicaid requirements for provider qualifications and service documentation related to the provision of pharmacy services during the period of July 1, 2020 through June 30, 2022 for Exact Care Pharmacy, LLC (Exact Care).

In addition, we examined instances in which prescriptions were filled more than 30 days after a recipient's date of death and all instances in which prescriptions were greater than \$15,000 on an RDOS¹.

Exact Care entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Ohio Revised Code, Ohio Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Management of Exact Care is responsible for its compliance with the specified requirements. Our responsibility is to express an opinion on Exact Care's compliance with the specified Medicaid requirements based on our examination.

The purpose of this examination was to determine whether Exact Care's claims for payment complied with Ohio Medicaid regulations. 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.

Results

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 33 individuals, including pharmacists and administrators, and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list and found no matches.

¹ Recipient date of service (RDOS) is defined as all services for a given recipient on a specific date of service.

The person to whom the terminal distributor of dangerous drugs license has been issued and all pharmacists on duty are responsible for compliance with all state and federal laws, regulations, and rules governing the distribution of drugs and the practice of pharmacy. Pharmacist means an individual who holds a valid pharmacist license in accordance with Chapter 4729. of the Ohio Rev. Code. See Ohio Admin. Code 4729:1-1-01 and 4729:5-1-01.

We tested 22 pharmacists identified during the examination and found all had the required licensure on dates of service for the selected payments.

Service Documentation

We tested compliance with Ohio Admin. Code 5160-9-06 which requires all records of prescriptions to comply with federal and state regulations and shall be retained by the provider for a period of six years from the date of payment of the claim and, if an audit is initiated during this time, records must be retained until the audit is resolved.

All outpatient prescriptions issued by a prescriber shall include, but are not limited to, the date as of and on the day when issued, indicate the drug name and strength, indicate the quantity to dispense and specify the number of times or the period in which the prescription may be refilled; see Ohio Admin. Code 4729:5-5-15.

We obtained prescriptions and dispensing records from Exact Care and compared them to the required elements. We also ensured the prescription was not expired at the time it was filled.

Prescription Filled More Than 30 Days After a Recipient's Date of Death

We examined 82 prescriptions for two recipients that were dispensed 30 days or more after the recipient's date of death. We found one recipient was dispensed prescriptions for nine months after date of death and the second recipient was dispensed prescriptions one month after date of death.

The 82 errors resulted in an improper payment of \$940.73.

Additionally, we examined documentation for the services in the prescriptions greater than \$15,000 on an RDOS exception test and in the sample of 100 RDOS, both contained all tested requirements.

Recommendation

Exact Care should develop and implement procedures to ensure that prescriptions are not dispensed to recipients after their date of death. Exact Care should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

Internal Control over Compliance

Exact Care 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 Exact Care's internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed that, in a material number of instances, prescriptions were dispensed and billed more than 30 days after a recipient's date of death.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matter in the Basis for Qualified Opinion paragraph, Exact Care has complied in all material respects, with the aforementioned requirements for the provision of pharmacy services for the period of July 1, 2020 through June 30, 2022.

We identified improper Medicaid payments in the amount of \$940.73. This finding plus interest in the amount of \$159.27 (calculated as of August 7, 2024) totaling \$1,100 is due and payable to the Department upon its adoption and adjudication of the examination report. Services billed to and reimbursed by the Department, which are not validated records, are subject to recoupment through the audit process per Ohio Admin. Code 5160-1-27. If waste and abuse² 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. Ohio Admin. 5160-1-29(B).

This report is intended solely for the information and use of Exact Care, 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 29, 2024

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).

OHIO AUDITOR OF STATE KEITH FABER



EXACT CARE PHARMACY, LLC

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 9/19/2024

65 East State 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