



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 HOME HEALTH SERVICES

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

RE: FirstiCare Inc.
Ohio Medicaid Number: 0351827 National Provider Identifier: 1720534019

We were engaged to examine compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of home health aide services during the period July 1, 2020 through June 30, 2022 for FirstiCare Inc.

We also tested the following:

- All instances in which a service was billed during a potential inpatient hospital stay;
- All instances in which potential duplicate registered nursing (RN) assessments were reimbursed for the same recipient on the same day;
- Select service dates for recipients with services at the same address on the same day; and
- All additional aide services for the same recipient on the same date of service as the sampled home health aide services.

We also compared electronic visit verification (EVV) data to all paid services to test compliance with Ohio Admin. Code § 5160-1-40.

FirstiCare 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 to fully disclose the extent of services provided and significant business transactions. Management of FirstiCare is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined.

Internal Control over Compliance

FirstiCare 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 FirstiCare's internal control over compliance.

Basis for Disclaimer of Opinion

During the engagement, we noted instances in which the recipient's signature, practitioner's signature and activities performed on the documentation were copied from one week to the next indicating that actual activities are not being recorded. In addition, we noted service documentation in which the practitioner's name was spelled differently and handwriting appeared to vary between timesheets.

As a result, we were unable to gain assurance on the reliability of the service documentation obtained for this engagement.

Disclaimer of Opinion

Our responsibility is to express an opinion on FirstiCare's compliance with select Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accounts (AICPA). Because of the limitation on the scope of our examination discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on FirstiCare's compliance with the specified Medicaid requirements for the period of July 1, 2020 through June 30, 2022.

We identified improper Medicaid payments in the amount of \$2,230.87. This finding plus interest in the amount of \$239.50 (calculated as of April 17, 2024) totaling \$2,470.37 is due and payable to the Department upon its adoption and adjudication of this report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process per 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 in accordance with Ohio Admin. Code § 5160-1-29(B).¹

We are required to be independent of FirstiCare and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination. This report is intended solely for the information and use of FirstiCare, 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

April 17, 2024

¹ "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) and 42 CFR § 455.2.

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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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. Per Ohio Admin. Code § 5160-1-17.2(D) and (E), providers must furnish such records for audit and review purposes.

FirstiCare is a Medicare certified home health agency (MCHHA) and received payment of approximately \$5.1 million for over 46,000 home health and waiver services². FirstiCare had a second Ohio Medicaid provider number (0284449 – waiver services organization) which became inactive in 2023 and did not receive any reimbursements during the examination period. FirstiCare has one location in Columbus, Ohio.

Purpose, Scope, and Methodology

The purpose of this engagement was to determine whether FirstiCare'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 home health aide services, along with exception tests as specified below, for which FirstiCare billed with dates of service from July 1, 2020 through June 30, 2022 and received payment. We obtained FirstiCare's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all services paid at zero and managed care encounters. From the total paid fee-for-service population, we selected the following services:

- All instances in which a personal care aide (procedure code T1019) or licensed practical nursing (G0300) service was billed during a potential inpatient hospital stay (Services During Potential Inpatient Stay Exception Test);
- All instances in which potential duplicate RN assessments (T1001) were reimbursed for the same recipient on the same day (Potential Duplicate RN Assessments Exception Test);
- Select service dates for recipients with services at the same address on the same day (Shared Addresses Exception Test); and
- A random sample of home health aide (G0156) services (Home Health Aide Services Sample) and all additional aide services on the same recipient date of service (RDOS)³ as the sampled services.

The exception tests and calculated sample size are shown in **Table 1**.

Table 1: Exception Tests and Sample			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
Services During Potential Inpatient Stay (T1019, G0300)			32
Potential Duplicate RN Assessments (T1001)			12
Shared Addresses ¹			70

² Payment data from the Medicaid Information Technology System (MITS).

³ An RDOS is defined as all services for a given recipient on a specific date of service.

Purpose, Scope, and Methodology (Continued)

Table 1: Exception Tests and Samples			
Sample			
Home Health Aide Services (G0156)	3,968 RDOS	79 RDOS	163
Additional Aide Services ²			<u>22</u>
Total Home Health Aide and Additional			185
Total			299

¹ These services consist of home health aide (G0156), homemaker personal care (DD250, MR940, MR951 and MR970), private duty nursing (T1000) and transportation (MR941).

² These services consist of homemaker personal care (DD244, DD250, MR940 and MR970) and personal care services (PT624).

A notification letter was sent to FirstiCare setting forth the purpose and scope of the examination. During the entrance conference, FirstiCare described its documentation practices and billing process. During fieldwork, we reviewed services documentation and verified professional licensure. We sent preliminary results to FirstiCare and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of fieldwork.

Results

The summary results are shown in **Table 2**. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
Services During Potential Inpatient Stay	32	12	12	\$487.80
Potential Duplicate RN Assessments	12	7	7	\$272.64
Shared Addresses	70	0	0	\$0.00
Samples				
Home Health Aide Services	163	8	8	\$361.31
Additional Aide Services	<u>22</u>	<u>6</u>	<u>6</u>	<u>\$1,109.12</u>
Total Home Health Aide and Additional	185	14	14	\$1,470.43
Total	299	33	33	\$2,230.87

A. Provider Qualifications

Exclusion or Suspension List

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 21 practitioners 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 also compared the identified owner's name to the same database and exclusion/suspension list. We found no matches.

A. Provider Qualifications (Continued)

Nursing Services

Per Ohio Admin. Code § 5160-12-01(G), home health nursing services requires the skills of and must be performed by a licensed practitioner. Based on the e-License Ohio Professional Licensure System, the licenses for the four nurses were current and valid on the date of service delivery for our selected services and were valid during the remainder of the examination period.

B. Service Documentation

Per Ohio Admin. Code § 5160-12-03(B)(9), the MCHHA must maintain documentation of home health services that includes, but is not limited to, clinical and time keeping records that indicate the date and time span of the service and the type of service provided.

For waiver homemaker and personal care services, the provider must maintain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times in accordance with Ohio Admin. Code §§ 5160-46-04(A), 5160-31-05(B), 173-39-02.11(C)(6)(b), 5160-40-01(F), 5160-42-01(K), 5123-9-30(E).

We obtained service documentation from FirstiCare and compared it to the required elements. We also compared units billed to documented duration and compared services by recipient and the rendering practitioner to identify any overlapping services. For errors where the units billed exceeded the documented duration, the improper payment was based on the unsupported units.

Services During Potential Inpatient Stay Exception Test

The 32 services examined consisted of two recipients in which the reported date of service occurred during a potential inpatient hospital stay. We requested verification from the rendering hospital to confirm dates of admission and discharge for the two recipients. The rendering hospitals did not respond to our request for confirmation; therefore, we were unable to determine whether services were billed during the hospital stay.

For one recipient, there were 12 instances in which there was no documentation from FirstiCare to support the payment. These 12 errors resulted in the improper payment amount of \$487.80.

Potential Duplicate RN Assessments Exception Test

The 12 services examined consisted of six recipients in which two RN assessments were reimbursed on the same day. We confirmed duplicate assessments were reimbursed for five recipients as FirstiCare had service documentation to support only one RN assessment on the service date. For the remaining recipient, there was no documentation to support the payment for the two RN assessments reimbursed.

These seven errors resulted in the improper payment amount of \$272.64.

Shared Addresses Exception Test

The 70 services examined consisted of two addresses each with two recipients receiving services on the same day. All services were supported by documentation that contained the required elements and there were no services overlapping in time indicated from the documents.

B. Service Documentation (Continued)

Home Health Aide Services Sample

The 163 sampled services contained the following errors:

- 2 instances in which there was no documentation to support the payment;
- 2 instances in which the service times overlapped with another service rendered by the same aide; and
- 1 instance in which one continuous shift was billed as two separate shifts.

The 22 additional aide services on the same RDOS contained three instances in which the units billed exceeded the documented duration and three instances in which there was no documented duration associated with the date of service.

These 11 errors are included in the improper payment of \$1,470.43.

FirstiCare indicated that it plans to implement an electronic mobile application to prevent future errors.

Recommendation

FirstiCare should develop and implement procedures to ensure that all service documentation and billing practices fully complies with requirements contained in Ohio Medicaid rules. In addition, FirstiCare should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement. FirstiCare should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Authorization to Provide Services

All home health providers are required by Ohio Admin. Code § 5160-12-03(B)(3)(b)⁴ to create a plan of care for recipients indicating the type of services to be provided to the recipient.

We obtained plans of care from FirstiCare and confirmed if there was a plan of care that covered the selected date of service, authorized the type of service, and was signed by a physician. We limited our testing of plans of care to the sampled services specified below.

Home Health Aide Services Sample

The 163 sampled services consisted of three instances in which the plan of care did not authorize the service rendered. These three errors are included in the improper payment of \$1,470.43.

We did not test service authorization for the additional 22 aide services on the same RDOS as the sampled services.

Recommendation

FirstiCare should establish a system to ensure that plans of care authorizing the service are obtained prior to submitting claim for services to the Department. FirstiCare should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

⁴ This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

D. Electronic Visit Verification

Per Ohio Admin. Code § 5160-1-40, FirstiCare was required to submit EVV data for its home health visits. We compared EVV data for the examination period to all paid services⁵ and found that 69 percent of services were in EVV.

FirstiCare indicated it has encountered numerous issues with the EVV system. FirstiCare stated it remains committed to adhere to the EVV system and will continue to monitor to ensure compliance with the Department's requirement.

Recommendation

We recommend that FirstiCare seek technical assistance from the Department regarding the proper use of EVV to avoid future findings.

Official Response

FirstiCare declined to submit an official response to the results noted above.

⁵ Based on payment data from MITS.

OHIO AUDITOR OF STATE KEITH FABER



FIRSTICARE INC.

FRANKLIN 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 6/4/2024

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