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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below on the Miller Holdings Summit, Inc. dba Springfield Home's Medicaid Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID) Cost Report and Medicaid payments for the year ended December 31, 2023 and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the management of the ICF-IID. The ICF-IID is responsible for the Cost Report for the year ended December 31, 2023 and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the ICF-IID.

The Ohio Department of Medicaid has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the ICF-IID's Cost Report for the year ended December 31, 2023, and certain compliance requirements related to the Cost Report and Medicaid services. Additionally, the Ohio Department of Developmental Disabilities has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

Census Data and Medicaid Paid Claims

1. We footed the Detailed Census - By Payer Report. There were no computational errors. We compared the total of inpatient and leave days from the census report to *Schedule A-1, Summary of Inpatient Days*. There were no omitted days.
2. We selected one resident from the Detailed Census by Payer report with leave days. We obtained the medical records for the selected individual for one month. We confirmed the ICF-IID maintained service documentation for each selected date as required by Ohio Admin. Code 5123-7-12(H) and 5123-3-04(J). We found no omitted days.

We totaled the leave days for the resident from the Detailed Census - By Payer report and found total leave days for calendar year 2023 were less than 30 days.

3. We compared the number of reimbursed Medicaid days with the total Medicaid days reported on *Schedule A-1*. We found that reported days are equal to net Medicaid reimbursed days.

Revenue

1. We compared the revenue on the Trial Balance Allocation and General Ledger to the revenue reported on *Attachment 1, Revenue Trial Balance* and with the chart of account classifications in the Appendix to Ohio Admin. Code 5123-7-12 and the Cost Report Instructions for ICF-IID (Cost Report Instructions). There were no reclassifications or omitted revenues.
2. We scanned the description in the General Ledger for any discounts, allowances, refunds, rebates or other applicable credits and compared these revenue types and amounts to the chart of account codes on *Attachment 2, Adjustments to Trial Balance; Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; or Schedule C, Indirect Cost Care Center* and to CMS Publication 15-1 §§ 804 and 2302.5. We found no unreported offsets.

Non-Payroll Expenses

1. We compared all non-payroll expenses from the Cost Report Adjustments and Home Office Costs worksheet to the Working Trial Balance and from the Working Trial Balance to *Schedule B-1, B-2 and C*. We found no reclassification between schedules exceeding \$500 or variances resulting in decreased reimbursable costs.
2. We scanned the General Ledger for potentially unallowable or improperly allocated costs and costs with no business purpose associated with the ICF-IID per CMS Publication 15-1, § 2102 to 2139 and § 2302.4 and Ohio Admin. Code 5123-7-11.

We selected 30 non-payroll expenses and 10 home office expenses from *Schedules B-1, B-2 and C*, including one contract personnel/position vouchers, and obtained the invoice and/or contract for each expense, and, if the purpose of the expense was unclear, we inquired with the ICF-IID. Using this documentation and any additional explanations, we performed the following procedures on each expense:

- We determined if documentation for the full cost was maintained as required by Ohio Admin. Code 5123-7-12(H). We found variances as reported in the Appendix.
- We footed the invoice/documentation for accuracy. We found no computational differences resulting in decreased costs. We compared the invoice rate to the contracted rate. We found no variances within the rates.
- We compared the documentation for each expense to the unallowable categories listed in CMS Publication 15-1, § 2102 to 2139 and Ohio Admin. Code 5123-7-11. We found non-federal reimbursable costs as reported in the Appendix. For these errors, we scanned the General Ledger for other like errors in the same cost center and found none.
- We compared the documented type of non-payroll expense to the schedule and chart of account classification reported on the Cost Report and to the chart of account classifications in the Appendix to Ohio Admin. Code 5123-7-12 and the Cost Report Instructions. We found no variances between schedules exceeding \$500.
- We documented the name and type of expense and inquired with ICF-IID to confirm that the business purpose of the expense benefitted the ICF-IID in accordance with CMS Publication 15-1 § 2302.4. We found costs that did not benefit the ICF-IID as reported in the Appendix. For these errors, we scanned the General Ledger for other like errors in the same cost center and found none.

Non-Payroll Expenses (Continued)

- We compared the cost and type of expense on the documentation to Ohio Admin. Code 5123-7-18 to confirm that the expense was not a capital asset. We found no unidentified capital assets.
- We compared the cost methodology and allocation statistics for each expense to the allowable methods per CMS Publication 15-1 § 2302.8. We found variances resulting in decreased costs as reported in the Appendix. We confirmed each amount was expensed during 2023 and used the proper accounting basis in accordance with the Cost Report instructions.

3. We compared the cost methodology used in the Home Office Allocation worksheet for *Schedules B-1, B-2 and C* and to Ohio Admin. Code 5123-7-12 and CMS Publication 15-1, § 2150. There were no reclassifications or adjustments resulting in decreased costs.

Property

1. We compared the initial square footage and year of construction of the 3568 East Waterloo Road ICF facility from the Summit County Auditor's Property records to *Attachment 9, Fair Rental Value Survey*. There were no differences in the year or square footage.
2. We compared the project year, type and cost for five recent renovations from the invoices to *Attachment 9, Log 2: Renovations Projects*. We also compared the type and cost of the renovation to the Cost Report Instructions. There were variances for unsupported renovations as reported in the Appendix.
3. We compared the square footage and year of construction of the 1268 North River Road facility from the Trumbull County Property tax records, Square Footage Summary, and floor plan to *Attachment 9: Log 3: Secondary Buildings* and the Cost Report instructions. There were no variances in year of construction or variances to decrease square footage.

We also compared the utilization percentage from the Bed Day Allocation Summary to *Attachment 9* and the Cost Report Instructions and CMS Publication 15-1 §§ 2150 and 2302.4. There were no variances.

4. We compared equipment depreciation and lease costs from the Depreciation Schedule, Working Trial Balance, Home Office, Lease Expense and Adjusting Journal worksheets to *Schedule D, Capital Cost Center* and the Cost Report Instructions. There were no variances.

We scanned the Depreciation Schedule and General Ledger to identify any reported loss on *Schedule D* not in accordance with CMS Publication 15-1, § 104.10(E). We found no reported loss.

Payroll

1. We compared all salary and fringe benefits on the Payroll Journal and Cost Report Adjustments to the Payroll Reconciliation and from the Payroll Reconciliation and Working Trial Balance to *Schedules B-1, B-2, and C*. We found no variances resulting in decreased costs.

We also compared hours and percentage of time worked and salaries from the Payroll Journal and Wage Adjustment worksheet to the Administrator Wage worksheet and from the Administrator Wage worksheet to *Schedule C-1, Administrator's Compensation* and to CMS Publication 15-1 § 2304, the Cost Report Instructions, and Ohio Admin. Code 5123-7-21(D)(2)(j) to (n) and 5123-7-22(C)(xi) to (xv). There were no variances resulting in decreased costs as reported in the Appendix.

2. We obtained the Payroll Journal and selected five employees reported on *Schedules B-2, C, and both Administrators* on *Schedule C-1* and if the programs which benefit from the employees' work is unclear, we inquired with the ICF-IID. We performed the following procedures on each selected employee:

Payroll (Continued)

- We compared the employee salary costs on the Payroll Journal, Cost Report Adjustments and timecards to the Payroll Reconciliation and from the Payroll Reconciliation and Working Trial Balance to the Cost Report and determined if documentation for the full cost was maintained as required by Ohio Admin. Code 5123-7-12 (C) and (H) and CMS Publication 15-1 § 2304.

CMS Publication 15-1 § 2304 states in pertinent part that cost information must be “current, accurate, and in sufficient detail to support payments made for services rendered to beneficiaries”, including “...labor time cards, payrolls, bases for apportioning costs.”

Furthermore, Ohio Admin. Code 5123-7-12 (C)(5) states in pertinent part that for commonly shared expenses across cost centers that “Wages and benefits for staff, including related parties who perform duties directly related to functions performed in more than one cost center which would be expended under separate cost centers if performed by separate staff, may be expended to separate cost centers based upon documented hours worked, provided the ICF maintains adequate documentation of hours worked in each cost center.”

We identified one licensed practical nurse (LPN) and one habilitation employee who were shared between ICFs and although time keeping records were kept of all hours worked and charged to their base location code, the time benefitting recipients at each ICF or the ICF itself was not separately tracked. Moreover, the ICF-IID allocated the salaries and benefit costs to *Schedule B-2, Direct Care Cost Center* based on patient days.

The ICF-IID did not maintain adequate documentation of hours worked that directly benefitted the ICF-IID in accordance with CMS Publication 15-1 § 2304 and Ohio Admin. Code 5123-7-12 (C)(5); therefore, we reclassified the salaries and benefits for the two employees allocated to the ICF-IID on *Schedule B-2, Direct Care Cost Center* to non-reimbursable costs.

- We compared the job description and timecards for each employee to the unallowable categories listed in CMS Publication 15-1, § 2102 to 2139 and Ohio Admin. Code 5123-7-11 and determined if the employee salary and benefit costs benefitted the Medicaid program in accordance with CMS Publication 15-1 § 2302.4.

CMS § 2302.4 states that “Allocable Costs-- An item or group of items of cost chargeable to one or more objects, processes, or operations in accordance with cost responsibilities, benefits received, or other identifiable measure of application or consumption (also known as general service costs).” Specifically, CMS § 2302.4(A), states in part, “Directly allocable costs are chargeable based on actual usage rather than a statistical surrogate.”

We identified one LPN and one habilitation employee were shared between ICFs and the ICF-IID did not have adequate timekeeping records to show the “actual usage” and support the benefits received by the ICF-IID in accordance with CMS § 2302.4; therefore, we reclassified the LPN and habilitation staff salary and benefits allocated to the ICF-IID on *Schedule B-2, Direct Care Cost Center* to non-reimbursable costs.

- We compared the employee job description and salary and benefit costs on the Payroll Journal, Cost Report Adjustments and timecards to the Payroll Reconciliation and from the Payroll Reconciliation and Working Trial Balance to the schedule and account classification reported on the Cost Report and to the chart of account classification in the Appendix to Ohio Admin. Code 5123-7-12 and to the Cost Report instructions. We found no reclassifications between schedules exceeding \$500.

Payroll (Continued)

- We compared the cost methodology and allocation statistics for each employees' salary and benefit costs to the allowable methods per CMS Publication 15-1 § 2302.4, 2302.8 and 2307 and determined if employees' salary and benefit costs were expensed during 2023 and used the proper accounting basis in accordance with the Cost Report instructions.

CMS Publication 15-1 § 2302.4(A), states that "Directly allocable costs are chargeable based on actual usage (e.g., metered electricity) rather than a statistical surrogate."

CMS Publication 15-1 §2307 (A) states in pertinent part, "Direct assignment of cost is the process of assigning directly allocable costs of a general service cost center (such as housekeeping, laundry, and dietary costs described in §2302.9) to all cost centers receiving service from that cost center based upon actual auditable usage. Hours worked by hourly wage or metered utility consumption are examples of measures of actual usage. Estimates, including a statistical surrogate such as square feet, are not acceptable. Time studies are considered statistical surrogates and, thus, may not be used."

We identified one LPN and one habilitation employee was shared between ICFs in which the employees' hours were not tracked by cost center (ICF) and were improperly allocated as Direct Care costs to *Schedule B-2, Direct Care Cost Center* based on patient days. Direct care costs should be assigned based on actual usage, such as hours worked, and the use of a statistical surrogate such as patient days for allocation of general service costs is not allowed per CMS Publication §2302.4(A) and §2307 (A); therefore, we reclassified the LPN and habilitation employee salary and benefits allocated to the ICF-IID on *Schedule B-2, Direct Care Cost Center* to non-reimbursable costs.

We were engaged by the Ohio Department of Medicaid to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants (AICPA). We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the ICF-IID's Cost Report and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the ICF-IID and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our agreed upon procedures engagement.

KEITH FABER
Ohio Auditor of State



Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

June 3, 2025

Appendix

Miller Holdings Summit, Inc. dba Springfield Home

Medicaid ICF-IID Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1 Other Protected Costs				
2. Medical Supplies - medicare non-billable - 6001 - Other/Contract Wages (2)	\$ 2,518	\$ (131)	\$ 2,387	To reclassify shower chair and sling costs for another ICF
Schedule B-2 Direct Care Cost Center				
6. Licensed Practical Nurse - 6125 - Salary Facility Employed	\$ 16,236	\$ (3,244)	\$ 12,992	To reclassify LPN salary costs due to improper cost method and lack of supporting records to show ICF directly benefitted
13. Habilitation Staff - 6170 - Salary Facility Employed	\$ 149,118	\$ (2,903)	\$ 146,215	To reclassify hab staff salary costs due to improper cost method and lack of supporting records to show ICF directly benefitted
38. Payroll Taxes - Direct Care - 6510 - Other/Contract Wages	\$ 18,432	\$ (226)	\$ (253)	To reclassify hab staff benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
			\$ 18,179	To reclassify LPN benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
39. Worker's Compensation - Direct Care - 6520 - Other/Contract Wages	\$ 9,358	\$ (115)	\$ (128)	To reclassify hab staff benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
			\$ 9,115	To reclassify LPN benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
40. Employee Fringe Benefits - Direct Care - 6530 - Other/Contract Wages	\$ 10,441	\$ (128)	\$ (143)	To reclassify hab staff benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
			\$ 10,170	To reclassify LPN benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted

Appendix

**Miller Holdings Summit, Inc. dba Springfield Home
Medicaid ICF-IID Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule C Indirect Care Cost Center				
7. Food In-Facility - 7040 - Other/Contract Wages	\$ 19,395	\$ (412)	\$ 18,983	To reclassify costs without detailed receipts
23. Personal Care - Supplies - 7120 - Other/Contract Wages	\$ 1,561	\$ (118)	\$ 1,443	To reclassify personal supply costs for another ICF
29. Office and Administrative Supplies - 7220 - Other/Contract Wages	\$ 1,409	\$ (78)	\$ 1,331	To reclassify office supply costs for another ICF
30. Communications - 7225 - Other/Contract Wages	\$ 6,875	\$ (335)	\$ 6,540	To reclassify cable costs without supporting documentation and communication costs for another ICF
36. Laundry and Linen - 7250 - Other/Contract Wages	\$ 1,072	\$ (61)	\$ 1,011	To reclassify credit card charges related to other ICFs
52. Repair and Maintenance - 7340 - Other/Contract Wages	\$ 13,001	\$ (146)	\$ 12,855	To reclassify shared maintenance supply costs with no documented benefit to ICF and fire and security costs related to other ICFs
68. Other Non-Reimbursable - Specify Below - 9725 - Salary Facility Employed	\$ -	\$ 2,903		To reclassify hab staff salary costs due to improper cost method and lack of supporting records to show ICF directly benefitted
		\$ 3,244	\$ 6,147	To reclassify LPN salary costs due to improper cost method and lack of supporting records to show ICF directly benefitted
68. Other Non-Reimbursable - Specify Below - 9725 - Other/Contract Wages (2)	\$ 210	\$ 131		To reclassify shower chair and sling costs for another ICF
		\$ 118		To reclassify personal supply costs for another ICF
		\$ 78		To reclassify office supply costs for another ICF
		\$ 335		To reclassify cable costs without supporting documentation and communication costs for another ICF
		\$ 61		To reclassify credit card charges related to other ICFs

Appendix**Miller Holdings Summit, Inc. dba Springfield Home****Medicaid ICF-IID Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule C Indirect Care Cost Center, Continued:				
68. Other Non-Reimbursable - Specify Below - 9725 - Other/Contract Wages (2)	\$ 146			To reclassify shared maintenance supply costs with no documented benefit to ICF and fire and security costs related to other ICFs
	\$ 469			To reclassify hab staff benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
	\$ 524			To reclassify LPN benefit costs due to improper cost method and lack of supporting records to show ICF directly benefitted
	\$ 412	\$ 1,551		To reclassify costs without detailed receipts

Fair Rental Value Log 2: Renovations Projects Log

28. 2018 Renovations/ Improvements - see attached - Project Cost	\$ 1,604	\$ (1,604)	\$ -	To remove unsupported renovations
29. 2019 Renovations/ Improvements - see attached - Project Cost	\$ 2,899	\$ (1,819)	\$ 1,080	To remove unsupported renovations
30. 2020 Renovations/ Improvements - see attached - Project Cost	\$ 4,490	\$ (1,990)	\$ 2,500	To remove unsupported renovations

OHIO AUDITOR OF STATE KEITH FABER



MILLER HOLDINGS SUMMIT, INC. DBA SPRINGFIELD HOME
SUMMIT 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 7/8/2025

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