



OHIO AUDITOR OF STATE
KEITH FABER



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**PIKE COUNTY RECOVERY COUNCIL, INC.
PIKE COUNTY**

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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 BEHAVIORAL HEALTH SERVICES

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

RE: Pike County Recovery Council, Inc.
Ohio Medicaid Numbers: 2847236 and 0083534

We were engaged to examine Pike County Recovery Council, Inc.'s (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of individual and group counseling services, case management services and medical/somatic services during the period of July 1, 2014 through June 30, 2017. Management of Pike County Recovery Council, Inc. is responsible for compliance with the specified requirements.

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 and federal statutes and rules, including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Management of Pike County Recovery Council, Inc. is responsible for 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 responsibility is to express an opinion on the Provider's compliance with the specified Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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. 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 Disclaimer of Opinion

The Provider declined to acknowledge in writing that the following items had been disclosed: all known matters contradicting its assertion of compliance with Medicaid laws and regulations; any communication from regulatory agencies or others affecting this assertion including communications received between the end of the examination period and the date of this report; any known events subsequent to the

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examination period that would have a material effect on the assertion; and that all relevant matters are reflected in the evaluation of this assertion.

Disclaimer of Opinion

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 the Provider's compliance with the specified Medicaid requirements for the period of July 1, 2014 through June 30, 2017.

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 \$44.20. This finding plus interest in the amount of \$3.54 (as of August 9, 2019) totaling \$47.74 is due and payable to the ODM upon it's 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.

This report is intended solely for the information and use of the Provider, the ODM and other regulatory and oversight entities, 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 9, 2019

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. Ohio Admin Code § 5160-1-17.2(D) and (E)

Ohio Medicaid recipients may be eligible to receive alcohol and drug addiction treatment related services that assist with rehabilitation. The Ohio Department of Mental Health and Addiction Services recognizes services that may be used in the treatment of alcohol and other drug addiction that include, but are not limited to, individual and group counseling services, case management services and medical/somatic services. See Ohio Admin. Code § 3793:2-1-08

Provider number 2847236 is listed as an ODADAS certified/licensed treatment program¹. During the examination period, the Provider received reimbursement from the Ohio Medicaid program of \$30,457,624 for 287,454 services under this number including the following:

- 138,925 group counseling services (procedure code H0005);
- 95,109 case management services (procedure code H0006);
- 33,769 individual counseling services (procedure code H0004);
- 16,157 medical/somatic (ambulatory setting) services (procedure code H0016); and
- 3,494 alcohol and/or drug assessment service (procedure code H0001).

The Provider had a second Ohio Medicaid number, 0083534, which is active and identifies the Provider as an ODMH certified agency. During the examination period the Provider received reimbursement of \$1,405,464 for 22, 430 mental health services under this number. We did not examine any services related to this Medicaid number.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the Provider's Medicaid claims for reimbursement 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 drug and alcohol addiction services, specifically individual and group counseling services, case management services and medical/somatic services that the Provider billed with dates of service from July 1, 2014 through June 30, 2017 and received payment.

¹ In 2013, the State of Ohio consolidated the Department of Alcohol and Drug Addiction Services (ODADAS) with the Department of Mental Health (ODMH) into one single agency, the Department of Mental Health and Addiction Services.

Purpose, Scope, and Methodology (Continued)

We received the Provider's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed services with a paid amount of zero. From the total paid services population we extracted one service with a date of service after the recipient's date of death.

From the remaining population, we extracted all individual counseling services (procedure code H0004), group counseling services (procedure code H0005), case management services (procedure code H0006) and medical/somatic services (procedure code H0016). We calculated attribute samples with 20 percent (+/- 10 percent) precision range for individual counseling services and medical/somatic services and with 10 percent (+/- 5 percent) precision range for group counseling services and case management services.

We selected stratified random samples of individual counseling services, case management services and medical/somatic services using a modified cumulative frequency square root method (Dalenius-Hodge Rule)² and a simple random sample of group counseling services. The calculated sample sizes are shown in **Table 1**.

We used a statistical sampling approach to facilitate a timely and efficient examination of the Provider's services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). The sampling unit or elements of analysis used was paid Medicaid claim service lines. A claim service line (service) is defined as the service and units of service for a given recipient on a specific claim line for an individual claim

Table 1: Sample Sizes		
Universe	Population	Sample Size
Individual Counseling Services		
Stratum 1	14,114	38
Stratum 2	16,621	45
Stratum 3	3,034	30
Total	33,769	113
Group Counseling Services		
Total	138,925	385
Case Management Services		
Stratum 1	63,450	245
Stratum 2	21,187	82
Stratum 3	10,471	40
Total	95,108	367

² Sampling of Populations: Methods and Applications 3rd Ed. by P.S. Levy and S. Lemeshow, Wiley Series in Probability and Statistics, pp. 179-183

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Table 1: Sample Sizes		
Universe	Population	Sample Size
Medical/Somatic Services		
Stratum 1	6,701	38
Stratum 2	4,709	30
Stratum 3	3,268	30
Stratum 4	1,204	30
Stratum 5	275	30
Total	16,157	158

A notification letter was sent to the Provider setting forth the purpose and scope of the examination. During the entrance conference the Provider described their documentation practices, personnel related procedures and billing process.

We sent preliminary results and subsequently the Provider submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

Results

The noncompliance and basis for our findings is discussed below in more detail.

Individual Counseling Services Sample

We examined 113 services and found no errors.

Group Counseling Services Sample

We examined 385 services and found one error which resulted in an improper payment of \$28.56.

Case Management Services Sample

We examined 367 services and found two errors which resulted in an improper payment of \$15.64. In addition, we noted one case management payment with a service date after the recipient's date of death. The Provider submitted documentation that indicated the client was not present during the service, which is allowable, and the note indicates that the practitioner was closing the file and recommending further services. Subsequent to this error being brought to the Provider's attention, the Provider reversed the claim. We verified the claim was adjusted through the Ohio Medicaid Information Technology System.

Medical/Somatic Services Sample

We examined 158 services and found no errors.

A. Provider Qualifications

All Practitioners

Per Ohio Admin. Code § 5160-1-17.2, 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 14 nurses, 184 licensed individuals and 25 case management specialists who rendered services in the samples. We selected 14 nurses, 100 licensed individuals and five case management specialists and compared their names to the Office of Inspector General exclusion database and the Ohio Department of Medicaid exclusion or suspension list. We found no matches on an exclusion or suspension list.

Licensed Practitioners

Ohio Admin. Code § 3793:2-1-08 identifies the practitioners who may render alcohol and drug addiction treatment services which includes, but is not limited to:

- Psychologist or psychology assistant;
- Chemical dependency counselor assistant;
- Certified or licensed chemical dependency counselor;
- Licensed chemical dependency counselor III or licensed independent chemical dependency counselor;
- School psychologist;
- Students enrolled in an accredited education institution in Ohio performing an internship or field placement;
- Individuals licensed with the state of Ohio Counselor, Social Worker and Marriage and Family Therapist Board (a social work assistant may render intensive outpatient program services excluding counseling and may not render counseling services); and
- Nurses registered with the Ohio Board of Nursing.

Ohio Admin. Code § 3793:2-1-08(S) states medical services shall be delivered by staff who are credentialed by the Ohio Board of Nursing or by the Ohio State Medical Board.

Licensed Practitioners³

We identified 198 licensed practitioners who rendered services in the samples. We selected 14 nurses and 100 other licensed practitioners and verified via the Ohio e-License Center website that their professional licenses were current and valid on the first date of service in the sample and were active during the remainder of the examination period.

We noted no errors.

B. Service Documentation

Service documentation for alcohol and drug addiction services shall include client identification, date of service delivery, description of service, length of time, date, and original signature and credentials of staff providing the service. See Ohio Admin. Code § 3793:2-1-06 (P) and § 5122-27-04

³ We did not examine any additional provider qualifications for case management specialists who do not require licensure.

B. Service Documentation (Continued)

Medicaid requires providers to maintain all records necessary to fully disclose the extent of services provided. See Ohio Admin. Code § 5160-1-17.2

We reviewed all documentation submitted by the Provider to verify that there was documentation which supported the services and units billed and contained the required elements. For errors where units reimbursed exceeded the documented duration, the improper payment was based on the unsupported units.

Case Management Services Sample

We examined 367 services and identified two services in which the billed units exceeded the documented duration. These two errors resulted in an improper payment amount of \$15.64.

Recommendation:

The Provider should develop and implement procedures to ensure that all service documentation fully complies with the requirements contained in Ohio Medicaid rules. In addition, the Provider should implement a quality review process to ensure that documentation is present, and the actual duration of service delivery is complete and accurate prior to submitting claims for reimbursement.

C. Authorization to Provide Services

Within seven days of completion of the assessment or at the time of the first face-to-face contact following the assessment, Providers shall develop an individual treatment plan based on the assessment for clients receiving specific drug and alcohol prevention and treatment services. The treatment plan shall contain the frequency, duration and type of treatment services, the signature of the staff member that developed the plan, and the original signature of the client. See Ohio Admin. Code § 3793:2-1-06(L)

A case management plan of care (CMP) must be written for each client that receives case management services and be completed prior to a client receiving these services. A reassessment of the CMP must be conducted at least 90 days after the initial CMP and at least once every 90 days following each reassessment. Ohio Admin. Code § 3793:2-1-06(M)

Group Counseling Services Sample

We examined treatment plans for the 385 services in our sample and found one service in which the frequency and duration were not included on the treatment plan. This one error resulted in an improper payment amount of \$28.56.

Recommendation:

The Provider should develop and implement controls to ensure that all case management plans and individual treatment plans contain the required elements. The Provider should address this issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

The Provider was afforded an opportunity to respond to this examination report. The Provider declined an exit conference to discuss the results of this examination. The Provider submitted an official response to the results of this examination which is presented in the **Appendix**. We did not examine the Provider's response and, accordingly, we express no opinion on it.

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August 12, 2019

Keith Faber, Auditor of State of Ohio
Attn: Kristi Erlewine, Chief Auditor
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KSErlewine@ohioauditor.gov

Re: Response to Draft Compliance Examination Report
Pike County Recovery Council, Inc.
Medicaid Provider Numbers 2847236 and 0083534

Dear Ms. Erlewine:

As you are aware, this firm represents Pike County Recovery Council, Inc. (“Pike County”). This letter serves as Pike County’s response to the Draft Compliance Examination Report, dated July 23, 2019 (“Draft Report”) in which the Auditor opined that Pike County complied, in all material respects, with the applicable requirements pertaining to provider qualifications, service documentation and service authorization for the audited time period.

The Draft Report indicates Pike County received reimbursement from the Ohio Medicaid program in the amount of \$30,457,624 for 287,454 services billed by the provider number for which services were examined. Of the 1,023 services examined, the report indicates that three (3) contained errors, resulting in an alleged improper payment of \$44.20. In addition, the Draft Report noted one case management service with a service date after the recipient’s date of death. The Auditor made no finding related to this claim, as Pike County’s documentation indicated that the client was not present during the service. Pike County was unaware that the client had died, and case management services may be provided without the client present. Pike County assured the Auditor that they would reverse the claim in the Medicaid system, and that reversal has been performed.

The Draft Report also examined Pike County’s provider qualifications. The Auditor selected 14 nurses, 100 licensed individuals, and five case management practitioners to

August 12, 2019

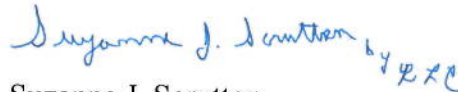
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be compared against the Office of Inspector General exclusion database and the Ohio Department of Medicaid exclusion or suspension list. It then selected 14 nurses and 100 other licensed practitioners for licensure verification. The examination found no excluded or suspended providers, and confirmed that all practitioners possessed current and valid licensure.

Based on these findings, the Auditor has recommended that Pike County (1) develop and implement procedures to ensure that all service documentation fully complies with applicable requirements; (2) implement a quality review process to ensure documentation is present, complete, and accurate prior to submitting claims; and (3) develop and implement controls to ensure case management plans and treatment plans contain required elements to ensure compliance with Medicaid rules and avoid future findings. Pike County is committed to continuous quality improvement, and will continue its robust compliance efforts to maintain its high level of oversight and control.

If you have any questions regarding our response, please do not hesitate to give me a call.

Very truly yours,



Suzanne J. Scrutton

SJS/rlc

Enclosure

OHIO AUDITOR OF STATE KEITH FABER



PIKE COUNTY RECOVERY COUNCIL

PIKE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 27, 2019**