



OHIO AUDITOR OF STATE  
**KEITH FABER**





**HEARTFELT CARES, LLC  
SUMMIT 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 HOME HEALTH AND WAIVER AIDE SERVICES**

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

RE: Heartfelt Cares, LLC  
Ohio Medicaid Number: 0081241 NPI Number: 1982999066

We examined Heartfelt Cares, LLC, (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of state plan nursing services and provider qualifications and service documentation related to the provision of waiver personal care aide 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 reimbursements made by Ohio Medicaid. Management of Heartfelt Cares, LLC, 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.

***Opinion on Compliance***

In our opinion, the Provider complied, in all material respects, with the aforementioned requirements of home health nursing and personal care aide 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 \$1,592.30. This finding plus interest in the amount of \$115.98 (calculated as of the date of this report) totaling \$1,708.28 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, 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

April 22, 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. Ohio Admin Code § 5160-1-17.2(D) and (E)

Ohio Medicaid recipients may be eligible to receive home health services, waiver services or both. According to Ohio Admin Code § 5160-12-01(E), the only provider of home health services is a Medicare certified home health agency (MCRHHA) that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Waiver services can be provided by a MCRHHA, an otherwise-accredited home health agency or a non-agency nurse or personal care aide.

The Provider is a Medicare Certified Home Health Agency located in Summit County. The Provider received reimbursement of \$107,010.16 for 1,080 state plan nursing services and \$669,755.23 for 10,102 personal care aide services during the examination period. The personal care and state plan nursing services accounted for 84.5 percent of the Provider's total reimbursement.

### Purpose, Scope, and Methodology

The purpose of this examination was to examine Medicaid reimbursements made to the Provider and 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 an examination of personal care aide and state plan nursing services for which the Provider billed with dates of service from January 1, 2018 through December 31, 2018 and received payment.

We obtained the Provider's claims from the Medicaid database of services and two of the Medicaid managed care plans: CareSource and United Healthcare. We removed services paid at zero. We extracted home health nursing (G0299 and G0300) and personal care aide (T1019) services from the population. We pulled separate samples for each of these two service categories to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1).

The sampling unit for both samples is a recipient date of service. A recipient date of service (RDOS) is defined as all services for a given recipient on a specific date of service. We used RATSTATS<sup>1</sup> statistical program to calculate the overall sample sizes. **Table 1** shows details of both samples.

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<sup>1</sup> RAT-STATS is a statistical tool used by the U.S. Department of Health and Human Services/Office of Inspector General's Office of Audit Services.

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

<b>Table 1: Sample Sizes</b>			
<b>Universe</b>	<b>Population</b>	<b>Sample</b>	<b>Sample Services</b>
State Plan Nursing Services (G0299 & G0300)	355 RDOS	77 RDOS	252
Personal Care Aide Services (T1019)	10,077 RDOS	100 RDOS	100
<b>Totals</b>	<b>10,443 RDOS</b>	<b>177 RDOS</b>	<b>352</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 its documentation practices and process for submitting billing to the Ohio Medicaid program. We reviewed all documentation submitted by the Provider for compliance. We sent preliminary results to the Provider and it 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**. While certain services had more than one error, only one improper payment was calculated per service. The noncompliance and basis for the 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>Samples</b>				
State Plan Nursing (G0300 & G0299)	252	21	24	\$1,325.42
Personal Care Aide (T1019)	100	5	5	\$266.88
<b>Totals</b>	<b>352</b>	<b>26</b>	<b>29</b>	<b>\$1,592.30</b>

**A. Provider Qualifications**

*Exclusion or Suspension List*

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 identified four nurses and 38 aides in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the ODM's exclusion or suspension list. We found no matches on an exclusion or suspension list. We also compared identified administrative staff names to the exclusion or suspension list and found no matches.



**A. Provider Qualifications (Continued)**

*Nursing Services*

According to Ohio Admin. Code § 5160-12-01(G), home health nursing requires the skills of and is performed by either a registered nurse (RN) or a licensed practical nurse (LPN) at the direction of an RN.

Based on information from the Ohio e-License Center website, the licenses for the four nurses were current and valid on the first date of service found in the sample and were active during the remainder of the examination period.

*Personal Care Aide Services*

In order to submit a claim for reimbursement, all individuals providing personal care aide services must obtain and maintain first aid certification from a class this is not solely internet-based and that includes hands-on training by a certified first aid instructor and a successful return demonstration of what was learned in the course. See Ohio Admin. Code § 5160-46-04(B)

We obtained first aid certifications for 38 aides and compared the dates of the certifications to the dates of service in the sample. We identified one service that was rendered by an aide who lacked first aid certification on the date of service. This one error is included in the improper payment amount of \$266.88.

**Recommendation:**

The Provider should review the Ohio Medicaid rules and improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

**B. Service Documentation**

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

For personal care aide services, the provider must maintain and retain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times and the dated signatures of the provider and the recipient or authorized representative verifying the service delivery upon completion of service delivery. See Ohio Admin. Code § 5160-46-04(B)(8)

For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units. For errors related to the documentation not containing duration of service, the finding was based on amount paid minus the base rate for one unit.

*State Plan Nursing Sample*

We examined 252 home health nursing services and identified 11 instances in which there was no documentation to support the payment and 10 services in which the duration (time span) of the service was not documented. These 21 errors are included in the improper payment amount \$1,325.42.

**B. Service Documentation (Continued)**

*Personal Care Aide Sample*

We examined 100 personal care aide services and identified two instances in which there was no documentation to support the payment and two services in which the Provider billed more units than the documented duration. These four errors are included in the improper payment amount of \$266.88.

**Recommendation:**

The Provider should develop and implement procedures to ensure that all service documentation fully complies with requirements contained in Ohio Medicaid rules. In addition, the Provider should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement. The Provider 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) to create a plan of care for recipients indicating the type of services to be provided to the recipient and the plan is required to be signed by the recipient's treating physician.

*State Plan Nursing Services Sample*

The 252 services examined contained three services in which the plan of care was not signed by a physician. These three errors are included in the improper payment of \$1,325.42.

**Recommendation:**

The Provider should ensure that plans of care are signed by the treating physician. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

The Provider declined to submit an official response to the results noted above.

# OHIO AUDITOR OF STATE KEITH FABER



**HEARTFELT CARES, LLC**

**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 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)