



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## Independent Accountants' Report on Applying Agreed-Upon Procedures

Ohio Department of Developmental Disabilities  
30 East Broad Street  
Columbus, Ohio 43215

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Developmental Disabilities (the Department), on the disbursements and statistical data recorded in the County Board Cost Report System (Cost Report) of the Lorain County Board of Developmental Disabilities (the County Board) for the year ended December 31, 2019 and certain compliance requirements. The County Board's management is responsible for the disbursements and statistical data in the Cost Report for the year ended December 31, 2019 and certain compliance requirements. The sufficiency of these procedures is solely the responsibility of the Department. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

### **Allocation Statistics - Attendance**

1. We footed the FBS Client and Days, Enclave Client and Days and the CE Client and Days (attendance reports) for accuracy. There were no computational errors.
2. We compared the attendance reports to the reported number of individuals served, days of attendance and 15 minute units and to the Cost Report Guide and identified no variances greater than two percent of attendance statistics at each acuity level.
3. We traced the total attendance days for five individuals for each service type for two months between the monthly attendance documentation and attendance acuity reports and the Cost Report and found no differences.
4. We compared the acuity level on the Attendance Acuity reports to the Acuity Assessment Instrument or other documentation for each individual and ensured at least two individuals from each acuity level were tested. We found no differences.

### **Allocation Statistics - Transportation**

1. We footed the 2019 Child Trips and the Combined Monthly Detail (transportation reports) for accuracy. There were no computational errors.
2. We compared the total one-way trips for children and adult programs from the transportation reports to the Cost Report. There were no variances.
3. We traced the number of trips for 10 individuals for one month from the daily service documentation to the compilation of trips. There was a variance less than 10 percent of the total trips tested.
4. We compared the cost of bus tokens/cabs on the IHAC/CAC/SAC Expense Detail to the Cost Report. We found no variances or omitted costs.

### **Statistics – Service and Support Administration (SSA)**

1. We footed the County Board's 2019 TCM Paid Units per Cost Report, 2019 SSA Other Allowable and 2019 Unallowable Units (SSA reports) for accuracy. There were no computational errors.

We compared the number and type from the SSA reports to the Cost Report. We found no variances.

2. We compared the case notes for 60 Other SSA Allowable units from the SSA reports to the activities listed in Ohio Admin. Code § 5160-48-01(D) and to the elements required by Ohio Admin. Code § 5160-48-01(F). There were variances greater than 10 percent of total units tested as reported in the Appendix as a result, we expanded the units tested.

We compared the case notes for an additional 60 Other SSA Allowable units from the SSA reports to the activities listed in Ohio Admin. Code § 5160-48-01(D) and to the elements required by Ohio Admin. Code § 5160-48-01(F). The variances was less than 10 percent of total units tested; however, we reported variances in the expanded units in the Appendix.

We identified seven instances in which the documentation for the selected units identified the service provider but did not contain this individual's signature.

### **Paid Claims Testing**

1. We selected 50 claims paid among adult services and transportation services from the Summary of Service Code data. We compared the County Board's service documentation to the requirements of each respective service code per Ohio Admin. Code Chapter 5123:2-9 in effect at the time of service delivery.

We found two services, Adult Vocational Habilitation (AVH) and Adult Day Support (SDF), billed with the incorrect procedure code; however, these errors did not result in an overpayment.

2. We selected 50 TCM recipient dates of service and compared the County Board's documentation to requirements listed in Ohio Admin. Code § 5160-48-01 in effect at the time of service delivery. We found 12 instances in which service documentation lacked the signature and initials of the service provider.
3. The County Board's contract specified a per bus per day amount and was not for the complete provision of the service as the County Board was responsible for providing resources, such as fuel. As a result, we were unable to compare a contracted rate to the reimbursed rate. We found no instances of other contracted services in our sample.
4. We did not compare a contract to the 2015 DODD guidance as the County Board does not contract for transportation services that are available to the general public.
5. We compared the reimbursed TCM units from the Summary of Service Code to the final reported units. The total net Medicaid reimbursed units were less than final TCM units.

### **Non-Payroll Expenditures**

1. We selected 60 disbursements from the service contracts and other expenses from cost categories that contribute to Medicaid rates. We compared the County Board's supporting documentation to the Guide to Preparing Cost Report for County Boards of Developmental Disabilities (Cost Report Guide) and 2 CFR 200.420 - .475. We found variances greater than two percent of total worksheets/forms and costs over \$500 which are non-federal reimbursable as reported in the Appendix.

**Non-Payroll Expenditures (Continued)**

2. We confirmed that the County Board's reconciled its income and expenditures for one month in each quarter in accordance with Ohio Admin. Code §§ 5123:2-1-02(L)(1) and 5123-4-01(N)(1).
3. We confirmed that there was an associated cost reported under the appropriate adult program for the final attendance statistics and square footage. We confirmed there are no adult program costs or square footage without final attendance statistics.

**Payroll**

1. We compared the salaries and benefit costs on supporting payroll reports to the CBCR Amounts and then to the amounts reported on the Indirect Costs, Program Supervision, Transportation Services, Service and Support Administration, and Adult Programs forms. We found no variances that resulted in reclassifications to another program or worksheet/form.
2. We selected 40 employees and compared the staffing/payroll journal reports and job descriptions to the worksheet in which each employee's salary and benefit costs were allocated to ensure the allocation is consistent with the Cost Report Guide. We reported variances exceeding \$500 in the Appendix. We performed no further procedure as the misclassification errors were below 10 percent.

**Medicaid Administrative Claiming (MAC)**

1. We compared the actual salaries for the Random Moment Time Study (RMTS) participants for the second quarter to the salaries submitted on the Cost by Individual Report and found no variance greater than one percent.
2. We obtained supporting documentation for 11 RMTS observed moments selected by DODD for the second quarter and inspected the documentation to identify the participant's name, date and time of the moment and the activity performed. The documentation contained the identified elements.

We compared the Medicaid rate that corresponds to the documented activity to the Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2019. We found no variances.

**Unit Rate**

1. We scanned the Cost Report and inquired with County Board management regarding a reported revenue offset. The County Board confirmed the offset was erroneously posted to facility based services instead of community employment. We also confirmed with the County Board that no service statistics were omitted for community employment. We reported the adjustment in the Appendix.

We also inquired about the rate for Enclave services and the County Board confirmed there were no omitted revenue offsets and that transportation related costs were correctly reported.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the County Board's Cost Report and compliance with certain requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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This report is to provide assistance to the Department in the evaluation of the County Board's disbursements and statistical data recorded in Cost Report for the year ended December 31, 2019, and certain compliance requirements and is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

March 31, 2021

**Appendix**  
**Lorain County Board of Developmental Disabilities**  
**2019 Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Annual Summary of Units of Service - Service and Support Administration</b>				
TCM Units, CB Activity	111,727	16		To reclassify SSA units (Initial sample)
		3	111,746	To reclassify SSA units (Expanded sample)
Other SSA Allowable Units, CB Activity	28,476	(16)		To reclassify SSA units (Initial sample)
		(3)	28,457	To reclassify SSA units (Expanded sample)
<b>Indirect Cost Allocation</b>				
Salaries, Gen Expense All Program	\$ 1,020,864	\$ (14,819)	\$ 1,006,045	To reclassify percent of Community Education/Volunteer Director
Employee Benefits, Gen Expense All Program	\$ 834,939	\$ (2,380)	\$ 832,559	To reclassify percent of Community Education/Volunteer Director
Service Contracts, Gen Expense All Program	\$ 312,163	\$ (100,000)		To reclassify interest in the Intergrated Service Partnership (ISP)
		\$ (18,496)		To reclassify the payment for the ISP Director
Other Expenses, Non-Federal Reimbursable	\$ 3,394	\$ 2,500	\$ 196,167	To reclassify costs for the Find Your Voice Event
		\$ 1,500		To reclassify unallowable advertising expense
		\$ 14,819		To reclassify percent of Community Education/Volunteer Director
Other Expenses, Gen Expense All Program	\$ 211,544	\$ 2,380	\$ 22,093	To reclassify percent of Community Education/Volunteer Director
		\$ (1,500)		To reclassify unallowable advertising expense
		\$ 3,539	\$ 213,583	To reclassify costs for the Find Your Voice Event
<b>Direct Services</b>				
Unassigned Children's Services, Service Contracts	\$ 12,514	\$ 100,000		To reclassify interest in the Intergrated Service Partnership (ISP)
		\$ 18,496	\$ 131,010	To reclassify the payment for the ISP Director
Other Expenses, Non-Federal Reimbursable	\$ 643	\$ 1,000	\$ 1,643	To reclassify child program sponsorship expense
<b>Services and Support Admin</b>				
Service Contracts, Service & Support Admin Costs	\$ 15,511	\$ (2,500)	\$ 13,011	To reclassify costs for the Find Your Voice Event
Other Expenses, Service & Support Admin Costs	\$ 99,905	\$ (1,000)		To reclassify child program sponsorship expense
		\$ (3,539)	\$ 95,366	To reclassify costs for the Find Your Voice Event
<b>Adult Program</b>				
Other Expenses, Facility Based Services	\$ 181,752	\$ (2,880)		To reclassify DD Awareness expenses
		\$ (3,240)	\$ 175,632	To reclassify community awareness park benches
Other Expenses, Enclave	\$ 25,833	\$ (5,040)	\$ 20,793	To reclassify advertising expenses
Other Expenses, Unassign Adult Program	\$ 13,115	\$ (2,982)	\$ 10,133	To reclassify advertising expenses
Other Expenses, Non-Federal Reimbursable	\$ 1,793	\$ 2,880		To reclassify DD Awareness expenses
		\$ 3,240		To reclassify community awareness park benches
		\$ 2,982		To reclassify advertising expenses
		\$ 5,040	\$ 15,935	To reclassify advertising expenses
<b>A1 Adult</b>				
Facility Based Services, Less Revenue	76,505	(76,505)	-	To reclassify revenue offset (OOD revenue)
Community Employment, Less Revenue	-	76,505	76,505	To reclassify revenue offset (OOD revenue)

# OHIO AUDITOR OF STATE KEITH FABER



**LORAIN COUNTY BOARD OF DEVELOPMENTAL DISABILITIES**

**LORAIN 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 4/13/2021**

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