



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
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## INDEPENDENT ACCOUNTANTS' 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 intermediate care facility for individuals with intellectual disabilities, Miller Holdings Manor, Inc. dba Manor Home (the ICF-IID) Medicaid ICF-IID Cost Report and Medicaid payments for the year ended December 31, 2019 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 Medicaid ICF-IID Cost Report for the year ended December 31, 2019 and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the ICF-IID.

The Department of Medicaid and the Department of Developmental Disabilities have 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, 2019, and certain compliance requirements related to the Cost Report and Medicaid services. 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:

### Occupancy and Usage

1. We footed the Monthly Detailed Census - By Payer reports. There were no computational errors.

We compared the number of Medicaid and non-Medicaid patient days from the Monthly Detailed Census - By Payer reports to *Schedule A-1, Summary of Inpatient Days*. There were no omitted days.

2. We selected eight residents' medical records for December 2019 and compared the total days of care with inpatient days reported on the Monthly Detailed Census - by Payer reports and *Schedule A-1*. There were no omitted days.

### Revenue

1. We compared the General Ledger and the Medicaid C/R Working Trial Balance with *Attachment 1, Revenue Trial Balance* and the Appendix to Ohio Admin. Code § 5123-7-12 and CMS Publication 15-1. There were no variances.

### Revenue (Continued)

2. We scanned the General Ledger for any revenue offsets or applicable credits which were not reported 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* to offset corresponding expenses in accordance with CMS Publication 15-1, Chapters 1, 6, and 8. There were no revenue offsets/applicable credits.

### Medicaid Paid Claims

1. We selected paid claims from the Quality Decision Support System (QDSS) for the eight residents in the Occupancy and Usage procedure and compared the reimbursed days to the days documented per the resident's medical records and to the payment adjustment requirements for resident's admission, discharge or death in Ohio Admin. Code § 5123:2-7-15. We found no unsupported or unallowable reimbursed days.

We compared the medical records and documentation of the authorized bed hold days in excess of 30 in a calendar year days and waiver respite days to the paid claims data. There were no waiver respite days.

#### Recoverable Finding: \$1,062.30

The Provider was reimbursed for three unauthorized bed hold days for one recipient in August 2019. We calculated a recoverable finding based on the payments for these three days.

2. We compared the total number of reimbursed days per the Quality Decision Support System (QDSS) with the total Medicaid days on *Schedule A-1*. The reported days exceeded paid days.

### Non-Payroll Expenses

1. We compared all non-payroll expenses on the General Ledger and Home Office and Adjustment Worksheets to the Working Trial Balance and from the Trial Balance to *Schedule B-1, B-2 and C*. There were no variances.
2. We scanned the General Ledgers and selected 30 non-payroll expenses and 10 home office expenses from *Schedules B-1, B-2, and C* and compared supporting documentation to Ohio Admin. Code § 5123-7-12, the Cost Report Instructions for ICF-IID and CMS Publication 15-1 to determine if costs were properly allocated, classified, and allowable. There were no reclassifications between schedules exceeding \$500. There were adjustments resulting in decreased costs as reported in the Appendix. We scanned the corresponding invoice and found no similar errors or misclassifications.
3. We compared the cost methodology used in the Home Office Worksheet for *Schedules B-1, B-2 and C* to Ohio Admin. Code § 5123-7-12 and CMS Publication 15-1, Section 2150. There were no differences.

### Property

1. We compared the initial square footage and year of construction of the 264 N Broadway facility from the Ashtabula County Auditor's Property records and floor plans to *Attachment 9, Fair Rental Value Survey*. There were no differences.

### Property (Continued)

2. We compared the project year and square footage for two additions from the Ashtabula County Auditor's Property records, floor plan, and the Capital Rate Reconsideration Letter to *Attachment 9, Log 1: Additions and Removals* and the Cost Report Instructions for ICF-IID and Ohio Admin. Code § 5123-7-12. There were no variances.
3. We compared the project year and cost for five renovations from the invoices to *Attachment 9, Log 2: Renovations Projects*. We also compared the type and cost of the addition to the Cost Report Instructions for ICF-IID. There were no variances in the year or decreases in costs.
4. We compared the square footage and year of construction of 1268 N River Road facility from the Trumbull County Property tax records, square footage summary and floor plans to *Attachment 9: Log 3: Secondary Buildings* and the Cost Report Instructions. There were no variances.

We also compared the utilization percentage from the Home Office Worksheet to *Attachment 9, Cost Report Instructions* and CMS Publication 15-1. We found no differences resulting in decreased costs.

5. We compared equipment depreciation and lease costs and Home Office capital costs from the 2019 Depreciation Schedule, General Ledger and the Home Office Worksheet to *Schedule D, Capital Cost Center*, the Cost Report Instructions and CMS Publication 15-1. There were no variances.

We selected one capital asset from both account 8040 and account 8090 which were being depreciated in the first year. We recalculated the first year's depreciation for the two assets selected, based on the Cost Report instructions and useful lives prescribed in the 2018 American Hospital Association (AHA) Asset Guide and Appendix A of Ohio Admin. Code § 5123:2-7-18.

We compared the recalculated depreciation to the reported depreciation. There were no variances resulting in decreased costs.

### Payroll

1. We compared all salary, fringe benefits, payroll tax entries from the General Ledgers and Home Office and Adjustment Worksheets to the Working Trial Balance and from the Trial Balance and Payroll Reconciliation worksheet to *Schedule B-2* and *Schedule C*. We also compared hours worked and salaries from the Owners Wage Allocation and Administrator Worksheets to *Schedule C-1, Administrator's Compensation*. There were no variances.
2. We selected a sample of five employees and the one contracted individual reported on *Schedule B-2, Schedule C and C-1*. We compared the job descriptions, one month of employee timesheets, Payroll GL Detail report, and a contractor's monthly invoice to the schedule in which each individual's salary and fringe benefit or contract costs were reported. We compared these payroll costs to Ohio Admin. Code § 5123:2-7 and to CMS Publication 15-1, Chapter 9 and Section 2150. There were no variances.

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 Medicaid ICF-IID 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.

Miller Holdings Manor, Inc. dba Manor Home  
Ashtabula County  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures  
Page 4

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.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

November 18, 2021

Appendix A  
 Miller Holdings Manor, Inc. DBA Manor Home  
 Medicaid ICF-IID Cost Report Adjustments

	Reported Amount		Correction		Corrected Amount	Explanation of Correction
<b>Schedule B-1 Other Protected Costs</b>						
9. Trash and Refuse Removal - 6040 - Other/Contract Wages (2)	\$ 24,767	\$	(6,511)	\$	18,256	To remove an expense allocable to another ICF
<b>Schedule C Indirect Care Cost Center</b>						
32. Travel and Entertainment - 7235 - Other/Contract Wages (2)	\$ 24,841	\$	(72)	\$	24,769	To remove a leased vehicle expense allocable to another ICF

# OHIO AUDITOR OF STATE KEITH FABER



**MILLER HOLDINGS MANOR, INC. DBA MANOR HOME**

**ASHTABULA 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 12/21/2021**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)