



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-Up Procedures

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

We have performed the procedures enumerated below on the disbursements and statistical data recorded in the County Board Cost Report System (Cost Report) of the Sandusky County Board of Developmental Disabilities (County Board) for the year ended December 31, 2019 and certain compliance requirements related to the completion of the Cost Report and Medicaid paid services, included in the information provided to us by the management of the County Board. The County Board is responsible for the data in the Cost Report for the year ended December 31, 2019 and certain compliance requirements related to the Cost Report and Medicaid paid services included in the information provided to us by the County Board.

The Ohio Department of Developmental Disabilities (Department) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the County Board's disbursements and statistical data recorded in the Cost Report for the year ended December 31, 2019, and certain compliance requirements related to the Cost Report and Medicaid paid 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 Department. 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::

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

1. We footed the County Board's revised Cost Report B4 Detail reports for accuracy. There were no computational errors.

We compared the number and type of units from the revised SSA reports with the Cost Report. There were variances greater than two percent as reported in the Appendix.

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 25 percent of total units tested.

As a result, we selected an additional sample of 60 Other SSA allowable units and performed the same testing. The combined error rate due to Medicaid eligible individuals exceeded 25 percent; however, the County Board provided revised SSA reports showing that these units were recorded as TCM units.

### **Paid Claims**

1. 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. There were no instances of non-compliance.
2. We compared the reimbursed TCM units from the Summary by Service Code report to the reported units. We found the total net Medicaid reimbursed units were greater than reported units; however, the County Board provided revised SSA reports which were tested as part of the Statistics – Service and Support Administration procedures. We re-performed the comparison of reimbursed TCM units to final units and 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 Cost Report Guide and 2 CFR 200.420 - .475. There were variances greater than two percent and costs over \$500 which are non-federal reimbursable as reported in the Appendix.
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).

### **Payroll**

1. We compared the salaries and benefit costs on the SAC Expense Detail report to the amounts reported on worksheets/forms that contribute to Medicaid rates. There were no variances.
2. We selected 16 employees and compared the organizational chart, SAC Detail report 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. There were no variances.

### **Medicaid Administrative Claiming (MAC)**

1. We compared the actual salaries and benefits for the Random Moment Time Study (RMTS) participants from the Payroll and Benefit Totals by Date Span by Post Date Summary Report for the second quarter to the MAC salaries and benefits submitted on the Cost by Individual Report. There were no variances.
2. We requested supporting documentation for 11 RMTS observed moments selected by the Department for the second quarter and determined if the supporting documentation contained the participant's name, date and time of the moment and the activity performed. The documentation contained the identified elements.

### **Unit Rate**

1. We inquired with County Board management regarding omissions or misreporting of costs or statistics, new contracts, and changes due to privatization which impact the supported employment - community employment and transportation unit rates. The County Board stated they were not aware of any misreporting of costs or omissions; however, they stated they did report Opportunities for Ohioans with Disabilities (OOD) costs but did not report corresponding units. We noted the County Board offset all the community employment costs on the A1, *Adult* form.

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We were engaged by the Department to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the 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 County Board's Cost Report and compliance with certain laws and regulations. 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.

We are required to be independent of the County Board 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  
Auditor of State  
Columbus, Ohio

August 25, 2021

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

	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Explanation of Correction</b>
<b>Annual Summary of Units of Service - Service and Support Administration</b>				
TCM Units, CB Activity	41,440	2,596	44,036	To agree units to revised SSA reports
Other SSA Allowable Units, CB Activity	3,136	(1,452)	1,684	To agree units to revised SSA reports
SSA Unallowable Units, CB Activity	2,827	281	3,108	To agree units to revised SSA reports
<b>Indirect Cost Allocation</b>				
Service Contracts, Gen Expense All Program	\$ 58,587	\$ (1,274)	\$ 57,313	To reclassify costs for Provider Recognition event
Other Expenses, Non-Federal Reimbursable	\$ 3,793	\$ 854	\$ 5,922	To reclassify costs for promotional items
		\$ 1,274	\$ 5,922	To reclassify costs for Provider Recognition event
Other Expenses, Gen Expense All Program	\$ 307,907	\$ (854)		To reclassify costs for promotional items
		\$ (11,000)		To reclassify COG costs
		\$ (5,000)	\$ 291,053	To reclassify FCFC costs
<b>Direct</b>				
Other Expenses, Unassign Children Program	\$ -	\$ 5,000	\$ 5,000	To reclassify FCFC costs
Other Expenses, Community Residential	\$ 97,811	\$ 805	\$ 98,616	To reclassify nursing QA expense
<b>Services and Support Admin</b>				
Other Expenses, Service & Support Admin Costs	\$ 31,137	\$ (805)	\$ 30,332	To reclassify nursing program expense
<b>CBCR Reconcile Expenses</b>				
Fees Paid to COG, or Payments and Transfers Made to COG	\$ 3,625,374	\$ 11,000	\$ 3,636,374	To reclassify COG costs

# OHIO AUDITOR OF STATE KEITH FABER



**SANDUSKY COUNTY BOARD OF DEVELOPMENTAL DISABILITIES**

**SANDUSKY 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 9/21/2021**

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