



OHIO AUDITOR OF STATE
KEITH FABER



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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 Brookside, Inc. DBA Brookside's (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 10 residents' medical records for November 2019 and compared the total days of care with inpatient days reported on the Detailed Census - By Payer Reports and *Schedule A-1*. There were no omitted days.

Medicaid Paid Claims

1. We selected paid claims for one month from the Quality Decision Support System (QDSS) for the 10 residents selected in the Occupancy and Usage procedure and compared the reimbursed days to the the days documented per the resident's medical records and to the payment adjustment requirements for resident's admission, discharge or death in the Ohio Admin. Code § 5123:2-7-15. There were no unsupported or unallowable reimbursed days.

Medicaid Paid Claims (Continued)

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

Recoverable Finding: \$10,663.57

The ICF-IID was reimbursed for 39 unauthorized bed hold days for three residents between August and December 2019.

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

Revenue

1. We compared the General Ledger 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.
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 omitted revenue offsets/applicable credits.

Non-Payroll Expenses

1. We compared all non-payroll expenses on the General Ledger and Home Office and Adjustments 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 Ledger 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 confirm costs were properly allocated, classified and allowable. There were no differences.
3. We compared the cost methodology used in the Home Office Allocation Worksheet for *Schedules B-1, B-2 and C* and to Ohio Admin. Code § 5123-7-12 and CMS Publication 15-1, Section 2150. There were no differences.

Property

1. We compared the year of initial construction and square footage of the 780 Snider Road facility from the Warren County Auditor's Property records to *Attachment 9, Fair Rental Value Survey*. There were no differences.
2. We also compared the project year and change in square footage for one removal from the DODD Change of Ownership and Relocation Letter to *Attachment 9, Log 1: Additions and Removals* and the Cost Report Instructions. There was no difference. We also selected an addition to perform the same comparison; however, the ICF could not find supporting documentation and it was outside the seven year records retention period.

Property (Continued)

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 renovation to the Cost Report Instructions for ICF-IID. There was a variance as reported in the Appendix.
4. We compared the square footage and year of construction of 1268 North River Road facility from the Trumbull County Property tax records, square footage summary, and floor plan 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* and the Cost Report Instructions and CMS Publication 15-1. There was no variance resulting in a decrease in the utilization percentage.

5. We compared equipment depreciation and lease costs from the Depreciation Schedule, Lease agreement and General Ledger to *Schedule D, Analysis of Property, Plant, and Equipment*, the Cost Report Instructions and CMS Publication 15-1. There were no variances.

We selected one capital asset both from account 8040 and 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 and identified any variances resulting in decreased costs. There was a variance as reported in the Appendix.

Payroll

1. We compared all salary, fringe benefits, payroll tax entries on the General Ledger 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 salaries from the General Ledger and Working Trial Balance to the Owners Wage Allocation and Administrator Worksheets and then compared salaries and hours from the Worksheets to *Schedule C-1, Administrator's Compensation*. There were no variances.
2. We selected a sample of five employees and two contracted individuals reported on *Schedule B-2, Schedule C and C-1*. We compared the job descriptions and Monthly Pay Detail report for the five employees to the Payroll GL Detail report and from the Detail report to the Payroll Reconciliation report and to the schedule in which each employee's salary and fringe benefit expenses were reported. We compared the contracts and invoices to the General Ledger and from the General Ledger to the Working Trial Balance and the schedule in which the 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 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.

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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 style with a large, prominent "K" and "F".

Keith Faber
Auditor of State
Columbus, Ohio

January 28, 2022

Appendix
Miller Holdings, Brookside Inc. dba Brookside
Medicaid ICF-IID Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule D Capital Cost Center				
4. Depreciation - Equipment - 8040 - Total	\$ 13,132	\$ (144)	\$ 12,988	To agree to correct depreciation
Attachment 9, Fair Rental Value Survey				
Fair Rental Value Log 2: Renovations Projects Log				
3. 2016 Renovations/Improvements - Project Costs	\$ 12,950	\$ (6,400)	\$ 6,550	To remove duplicate renovation costs reported in 2016 and 2017

OHIO AUDITOR OF STATE KEITH FABER



MILLER HOLDINGS BROOKSIDE, INC. DBA BROOKSIDE

WARREN 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 2/24/2022

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This report is a matter of public record and is available online at
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