OHIO AUDITOR OF STATE
KEITH FABER

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Medicaid Contract Audit
88 East Broad Street
Columbus, Ohio 43215
(614) 466-3340
ContactMCA@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO COMMUNITY PSYCHIATRIC SUPPORTIVE TREATMENT

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

RE: Next Steps Behavioral Health
Ohio Medicaid Number: 0304077 NPI: 1508343286

We were engaged to examine compliance with specified Medicaid requirements for program exclusion, service documentation and service authorization for selected payments related to the provision of community psychiatric supportive treatment (CPST services) for Next Steps Behavioral Health (Next Steps) during the period of January 1, 2019 through December 31, 2020.

Next Steps entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Ohio Revised Code, Ohio Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Management of Next Steps is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements included in the engagement.

Internal Control over Compliance

Next Steps 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 Next Steps' internal control over compliance.

Basis for Disclaimer of Opinion

We reviewed 92 CPST service documents (there was no documentation to support three of our 95 selected payments) and found 25 instances (27 percent) in which the service times overlapped another service rendered by the same practitioner or the start time of one service was the same as the end time of a previous service by the same practitioner but the service locations were different. Examples of the documented overlapping times by the same practitioner on the same day include the following:

- Recipient A from 4:00 pm to 5:30 pm;
- Recipient B from 4:30 pm to 6:00 pm;
- Recipient C from 4:00 pm to 6:30 pm; and
- Recipient D from 6:00 pm to 7:30 pm.

We also noted that 99.5 percent of services were billed with six units which represents one hour and 30 minutes.

Next Steps used an electronic health record (EHR) for much of the examination period and the EHR system included documentation tools that feature predefined text used to document the visit. As a result, Next Steps' documentation did not reflect specific conditions and/or unique observations and did not clearly identify the services. We compiled entries from 91 service documents (one of the 92 service documents did not include any descriptions) including the following fields:

- Service Activity Rendered;
- Goals;
- Planned Intervention and Intervention Implemented;
- Overall Progress on Individual Objectives and Progress;
- Additional Notes;
- Significant Changes or Events and Change in Risk or Self or Others; and
- Recommendations for Modifications to the Treatment Plan.

From these 91 documents, there were 35 instances in which the entries for one service were the exact duplicates to the entries for at least one other of the selected services. We also found that only four of these 91 documents had a unique additional note about the recipient and two of these four comments were identical for sessions on different dates. In addition, 31 had no documentation of the service activity rendered and the remaining 60 identified the same service activity.

Disclaimer of Opinion

Our responsibility is to express an opinion on Next Steps' compliance with select Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Because of the limitation on the scope of our examination discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on Next Steps' compliance with the specified Medicaid requirements for the period of January 1, 2019 through December 31, 2020.

We identified improper Medicaid payments in the amount of $4,455.12. This finding plus interest in the amount of $395.99 (calculated as of July 20, 2022) totaling $4,851.11 is due and payable to the Department upon its adoption and adjudication of this report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process. *See* Ohio Admin. Code § 5160-1-27. If waste and abuse are suspected or apparent, the Department and/or the office of the attorney general will take action to gain compliance and recoup inappropriate or excess payments.[1] Ohio Admin. Code § 5160-1-29(B).

We are required to be independent of Next Steps and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

This report is intended solely for the information and use of the Department and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties.

[1] "Waste and abuse" are practices that are inconsistent with professional standards of care; medical necessity; or sound fiscal, business, or medical practices; and that constitute an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5160-1-29(A).

Keith Faber
Auditor of State
Columbus, Ohio

July 20, 2022

COMPLIANCE SECTION

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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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. *See* Ohio Admin. Code § 5160-1-17.2(D) and (E).

Next Steps is an Ohio Department of Mental Health and Addiction Services licensed treatment program located in Cincinnati, Ohio. During the examination period, Next Steps received payment of $471,011 for 4,009 CPST services from two Ohio managed care organizations (MCOs)[2].

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Next Steps' claims for payment 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 CPST services as specified below for which Next Steps billed with dates of service from January 1, 2019 through December 31, 2020 and received payment. We obtained paid claims data totaling $462,922 from one MCO to use for this examination and verified that all services were paid to Next Steps tax identification number. We removed all services paid at zero.

All reimbursements were for CPST services (procedure code H0036). We selected the three dates of service in which one rendering practitioner billed eight services (Three Dates of Service). From the remaining population, we randomly selected 10 dates of service and then obtained all of the CPST services on the selected dates to test (Ten Dates of Service).

The test sizes are shown in **Table 1**.

Table 1: Selected Services

Universe	Population Size	Sample Size	Selected Services
Three Dates of Service			24
Ten Dates of Service	625 DOS	10	71
Total			**95**

A notification letter was sent to Next Steps setting forth the purpose and scope of the examination. During the entrance conference, Next Steps described its documentation practices and billing process. During fieldwork, we reviewed service documentation and performed a walk-through of the EHR system used to create documentation. We sent preliminary results to Next Steps and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

[2] Payment data from the Medicaid Information Technology System (MITS).

Results

The summary results are shown in **Table 2**. The basis for our findings is discussed below in further detail.

Table 2: Results				
Universe	**Services Examined**	**Non-compliant Services**	**Non-compliance Errors**	**Improper Payment**
Three Dates of Service	24	24	50	$2,813.76
Ten Dates of Service	71	14	52	$1,641.36
Total	**95**	**38**	**102**	**$4.455.12**

A. Provider Qualifications

Exclusion or Suspension List

Per Ohio Admin. Code § 5160-1-17.2(H), in signing the Medicaid provider agreement, a 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 five practitioners in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We found no matches. We also compared identified administrative staff names to the same database and exclusion/suspension list and found no matches.

We noted one practitioner was a licensed school psychologist; however, he signed service documentation prior to implementation of the EHR system as a qualified mental health specialist. The notes created in the EHR did not identify any credential for this practitioner. We did not test qualifications for any of the four qualified mental health specialists identified in the selected service documentation.

We verified via the Ohio e-License Center website that the two supervisors identified on the documents for the selected services were licensed and verified that they were both enrolled in the Medicaid program.

B. Service Documentation

Documentation requirements include the date, description, and duration of service contact. *See* Ohio Admin. Code § 5160-8-05(F).

We obtained documentation from Next Steps and compared it to the required elements. We also compared units billed to the documented duration, compared services by the same rendering practitioner to identify overlapping services and reviewed clinical notes to determine if documentation represented a unique service for each recipient.

Where the start time of a service was the same time as the end time of the previous service, we confirmed recipient addresses and service location. If the recipients were not at the same address and the services were not both office based, we identified an improper payment for the second service. If two or more services had overlapping times, we identified an improper payment for the second service and any subsequent services that also overlapped the first service.

Three Dates of Service

The 24 services contained the following errors:

- 21 instances in which the service time overlapped with another service rendered by the same practitioner (12 of these errors included in the improper payment);
- 3 instances in which there was no documentation to support the reimbursement (these errors included in the improper payment); and
- 2 instances in which the service documentation was for two different recipients but was not unique as every entry matched (these errors were not included in the improper payment).

In total, 15 of the 26 identified errors are included in the improper payment amount of $2,813.76.

Ten Dates of Service

The 71 services examined contained the following errors:

- 33 instances in which the service documentation was for two different recipients but was not unique as every entry matched (these errors were not included in improper payment);
- 4 instances in which the service time overlapped with another service rendered by the same practitioner (2 of these errors included in the improper payment);
- 2 instances in which the units billed were greater than the units documented (improper payment is based on the unsupported units); and
- 1 instance in which the service document did not contain a description of the services rendered (included in the improper payment).

In total, five of the 40 identified errors are included in the improper payment amount of $1,641.36.

For errors in which the service documentation did not identify a unique service, Next Steps indicated that services rendered were tailored to each recipient based on individualized treatment plans and clinical notes may appear the same but over the entire treatment progress would change.

Recommendation

Next Steps should develop and implement procedures to ensure that all service documentation and billing practices fully comply with requirements contained in Ohio Medicaid rules. In addition, Next Steps should implement a quality review process to ensure that documentation is present, complete, accurate, and represents a unique service prior to submitting claims for reimbursement. Next Steps should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

Next Steps should also review guidance developed by the Centers for Medicare and Medicaid Services (CMS) on the proper use of EHR records such as "Ensuring Proper Use of Electronic Health Record Features and Capabilities: A Decision Table" which identifies program integrity concerns with the use of template language.

C. Authorization to Provide Services

A treatment plan must be completed within five sessions or one month of admission, whichever is longer, must specify mutually agreed treatment goals and track responses to treatment and is expected to bear the signature of the professional who recorded it. *See* Ohio Admin. Code § 5160-8-05(F).

We obtained treatment plans from Next Steps and confirmed the treatment plan authorized the service examined and was signed by the recording practitioner or supervisor.

Three Dates of Service

The 24 services examined contained 24 instances in which there was no treatment plan to authorize services rendered. These 24 errors are included in the improper payment of $2,813.76.

Ten Dates of Service

The 71 services examined contained 11 instances in which there was no treatment plan to support the services rendered and one instance in which the treatment plan was not signed by either the practitioner that developed the plan or the supervisor. These 12 errors are included in the improper payment of $1,641.36.

Next Steps indicated it is the supervisor that completes the treatment plans and we noted that all of the plans were signed only by the supervisor. In addition, the treatment plans contained template language and were similar between recipients and varied little during treatment.

Next Steps also indicated that all treatment plans for dates of service prior to the implementation of their electronic health record system were corrupted in a file transfer and were no longer accessible.

Recommendation

Next Steps should develop and implement controls to ensure all individual treatment plans are maintained and are compliant with all applicable requirements including that they are signed by the professional who recorded the treatment plan and reviewed with the patient and parents, legal guardians, etc. as appropriate. Next Steps should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

As recommended for service documentation, Next Steps should also review guidance developed by the Centers for Medicare and Medicaid Services (CMS) on the proper use of EHR records such as "Ensuring Proper Use of Electronic Health Record Features and Capabilities: A Decision Table" which identifies program integrity concerns with the use of template language.

Next Steps Response

Next Steps clarified that treatment plans are only signed by a supervisor as the plans are created by a supervisor.

AOS Conclusion

We confirmed with the current supervisor that she creates treatment plans and updated language in the report accordingly.

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NEXT STEPS BEHAVIORAL HEALTH

HAMILTON 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 9/13/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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