



OHIO AUDITOR OF STATE
KEITH FABER



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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, Union Christel Manor, Inc. dba UCM Residential Services' (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 Census Reports. There were no computational errors.

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

2. We selected eight residents' medical records for one month in 2019 and compared the total days of care with inpatient days reported on the Monthly Census Report and *Schedule A-1*. There were no omitted days.

Medicaid Paid Claims

1. We selected one month of paid claims from the Quality Decision Support System (QDSS) for the eight residents selected 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 the Ohio Admin Code § 5123:2-7-15. There were no unsupported or unallowable days.

Medicaid Paid Claims (Continued)

2. We compared the medical records and documentation of 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 bed hold days in excess of 30 days and no waiver respite days.
3. We compared the number of reimbursed days per QDSS with the total Medicaid days on *Schedule A-1*. The reported days exceeded the paid days.

Revenue

1. We compared the Transaction Detail by Account report and 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 Transaction Detail by Account report and 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, Chapter 8.

We found worker's compensation rebates exceeding \$500 on *Attachment 1* and reported these amounts in the Appendix as applicable credits/revenue offsets in accordance with CMS Publication 15-1, §§ 804.

Non-Payroll Expenses

1. We compared all non-payroll expenses on 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 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 reclassifications between schedules exceeding \$500; however, there were adjustments resulting in decreased costs as reported in the Appendix. We scanned the corresponding invoice and found no similar errors or misclassifications.

Property

1. We compared the year of initial construction and square footage of the 400 Melvin Eley Avenue facility from the Darke County Auditor's Property records to *Attachment 9, Fair Rental Value Survey*. There was no variance in the year and the square footage variance did not exceed 10 percent.
2. We compared the square footage and project year for one addition and one removal from the Darke County Auditor's Property records, Residential Care Facility Licenses, and the Depreciation Expense Report to *Attachment 9, Log 1: Additions and Removals*. We also compared the type and cost of the addition and removal to the Cost Report Instructions and Ohio Admin. Code § 5123-7-12. There were no variances in square footage. There was a variance in the project year of the addition as reported in the Appendix.
3. We selected one renovation to compare the project year and cost from the invoice(s) to *Attachment 9, Log 2: Renovations Projects* and to compare the type and cost of the renovation to the Cost Report Instructions for ICF-IID and Ohio Admin. Code § 5123-7-12. The ICF could not find supporting documentation for one renovation; however, it was outside the seven year records retention period.

Property (Continued)

4. We compared equipment and transportation depreciation from the Depreciation Expense Report to *Schedule D, Analysis of Property, Plant, and Equipment*, the Cost Report Instructions and CMS Publication 15-1. There were no variances.
5. We selected one capital asset from account 8040 which was being depreciated in the first year. We recalculated the first year's depreciation for the one asset 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 a variance resulting in decreased costs as reported in the Appendix.

Payroll

1. We compared the salaries, payroll taxes and fringe benefit costs from the General Ledger and Trial Balance to *Schedule B-1; Schedule B-2; and Schedule C*. We also compared salaries from the W-2s, Compensation History and Monthly Paycheck reports to the General Ledger and Trial Balance. We then compared payroll costs on the General Ledger and Trial Balance and hours worked from the Monthly Paycheck reports to *Schedule C-1, Administrator's Compensation and Schedule C-2, Owner's/Relatives Compensation*. There were no variances.
2. We selected a sample of five employees and two contracted individuals reported on *Schedule B-2, Schedule C, C-1 and C-2*. We compared the job descriptions and a monthly Timecard, Payroll Journal and Labor Distribution reports and contractor invoices to the General Journal, General Ledger, and Trial Balance and then compared the Trial Balance to the schedule in which each employee's salary and fringe benefit expenses or contract costs were reported. We compared the 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.

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.



Keith Faber
Auditor of State
Columbus, Ohio

January 12, 2022

Appendix
Union Christel Manor, Inc. DBA UCM Residential Services
Medicaid ICF-IID Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1 Other Protected Costs				
2. Medical Supplies - medicare non billable - 6001 - Other/Contract Wages (2)	\$ 21,195	(34)	\$ 21,161	To remove costs not allocable to ICF
15. Commercial Activity Tax (CAT) - 6085 - Other/Contract Wages (2)	\$ 9,601	(2,349)	\$ 7,252	To reclassify costs without documentation to Non-Federal Reimbursable
Schedule B-2 Direct Care Cost Center				
39. Workers' Compensation - Direct Care - 6520 - Adjustments Increases (Decreases) (4)	\$ -	\$ (43,891)	\$ (43,891)	To record the Worker's Comp rebate as an Offset
Schedule C Indirect Care Cost Center				
13. Workers' Compensation - Dietary - 7065 - Adjustments Increases/(Decreases)(4)	\$ -	\$ (6,432)	\$ (6,432)	To record the Worker's Comp rebate as an Offset
30. Communications - 7225 - Other/Contract Wages (2)	\$ 7,977	\$ (26)	\$ 7,951	To remove phone costs allocated in error
57. Workers' Compensation - Indirect Care -7510 - Adjustments Increases/(Decreases)(4)	\$ -	\$ (11,277)	\$ (11,277)	To record the Worker's Comp rebate as an Offset
68. Other Non-Reimbursable - Lack of Supporting Documentation - 9725 - Other (2)	\$ -	\$ 2,349	\$ 2,349	To reclassify costs without documentation to Non-Federal Reimbursable
Schedule D Capital Cost Center				
4. Depreciation - Equipment - 8040 - Total (3)	\$ 11,669	\$ (226)	\$ 11,443	To remove depreciation for the month of acquisition.

Attachment 2, Adjustments to Trial Balance

1, Description		Worker's Comp Rebate	Worker's Comp Rebate	
1. Revenue Chart of Account (1)	-	5400	5400	To add the BWC Rebate
1. Other Increase/Decrease (4)	-	\$ 43,891	\$ 43,891	To add the BWC Rebate
1. Expense Chart of Account (5)	6000	520	6520	To add the BWC Rebate
2. Description		Worker's Comp Rebate	Worker's Comp Rebate	
2. Revenue Chart of Account (1)		5400	5400	To add the BWC Rebate
2. Other Increase/Decrease (4)		\$ 6,432	\$ 6,432	To add the BWC Rebate
2. Expense Chart of Account (5)	6005	1060	7065	To add the BWC Rebate
3. Description		Worker's Comp Rebate	Worker's Comp Rebate	
3. Revenue Chart of Account (1)	-	5400	5400	To add the BWC Rebate
3. Other Increase/Decrease (4)	-	\$ 11,277	\$ 11,277	To add the BWC Rebate
3. Expense Chart of Account (5)	7055	455	7510	To add the BWC Rebate

Appendix
Union Christel Manor, Inc. DBA UCM Residential Services
Medicaid ICF-IID Cost Report Adjustments

	<u>Reported Amount</u>	<u>Correction</u>	<u>Corrected Amount</u>	<u>Explanation of Correction</u>
Attachment 9, Fair Rental Value Survey				
Fair Rental Value Log 1: Additions and Removals				
1. - ADDITION (Project Year)	2000	(1)	1999	To correct the Project Year

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UNION CRISTEL MANOR, INC. DBA UCM RESIDENTIAL SERVICES

DARKE 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 1/25/2022

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