



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF THE MEDICAID PROGRAM

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

RE: ZNC Health Care LLC
Ohio Medicaid Number: 0318460 NPI: 1366751265

We were engaged to examine compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of home health aide services and home health licensed practical nursing (LPN) services for ZNC Health Care LLC (ZNC) during the period of January 1, 2019 through June 30, 2020.

In addition, the engagement included determining if ZNC maintained documentation to support the payment when a waiver aide service was billed on the same date as a sampled home health aide service and when the recipient was a hospital in-patient. The engagement also included determining ZNC's compliance with Ohio Admin. Code § 5160-1-40 which contains requirements for reporting electronic visit verification (EVV) data.

ZNC entered into an agreement (the Provider Agreement) with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the 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. ZNC is responsible for its compliance with the specified requirements.

We did not identify any noncompliance with the requirements in Ohio Admin. Code § 5160-12-01(G) which requires the skills of and is performed by either a registered nurse or a LPN and Ohio Admin. Code § 5160-1-17.2 which specifies that a provider cannot be currently subject to sanction or otherwise prohibited from providing services.

ZNC provided documentation that contained the date, time span, and type of service for 177 of the sampled 178 home health aide services (procedure code G1056) and all of the sampled 60 LPN services (procedure code G0300). ZNC also provided documentation for the 48 waiver services (procedure codes DD244, MR940, MR970, MR980, and PT524) billed with the same date of service as a sampled home health aide service. In addition, ZNC had a signed plan of care established by a physician for the randomly sampled services as required by Ohio Admin. Code § 5160-12-03(B). In the nine instances in which the date of service fell within dates of an in-patient stay, ZNC did not have documentation to support these payments and stated its biller used a schedule in creating the claim.

After ZNC was made aware of the 10 payments that lacked documentation and prior to the conclusion of this engagement, ZNC adjusted these claims to remit the 10 payments.

Internal Control over Compliance

ZNC 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 procedures. Accordingly, we do not express an opinion on the effectiveness of ZNC's internal control over compliance.

Basis for Disclaimer of Opinion

We compared ZNC's EVV data to total paid services for the period of October 1, 2019 through June 30, 2020¹ and found that the EVV reported visits exceeded paid visits by more than 14,000. We selected 39 services from the two samples and compared the documented time in/out, number of units and practitioner name to the EVV entries. We found five services had no EVV entry; 16 services in which the time in/out did not agree to the EVV entry; three services in which the units were not supported by the EVV entry; and two services contained a different practitioner name on the EVV entry. In total 56 percent of the 39 services were not supported by the EVV entry. ZNC stated that its employees are confused by the EVV system, have difficulties in using it, adjust EVV time in/out incorrectly and mistakenly use another practitioner's log in information. Due to the findings related to ZNC billing from a schedule and its acknowledgment that ZNC staff did not properly utilize EVV, we could not gain assurance on the reliability of ZNC's service documentation for the purpose of confirming Medicaid payments.

Disclaimer of Opinion

Our responsibility is to express an opinion on ZNC's compliance with select Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 ZNC's compliance with the specified Medicaid requirements for the period of January 1, 2019 through June 30, 2020.

Recommendations

We recommend ZNC implement procedures to ensure that service documentation and billing practices fully comply with the Medicaid requirements. In addition, ZNC should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for payment. ZNC should continue with its efforts to ensure that staff are consistently utilizing EVV as required. ZNC should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

This report is intended solely for the information and use of ZNC, 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.



Keith Faber
Auditor of State
Columbus, Ohio

January 11, 2022

¹ The period for the EVV comparison was adjusted due to the varying implementation dates.

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ZNC HEALTH CARE LLC

FRANKLIN 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 3/1/2022

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