



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT HOME DELIVERED MEALS AND BEHAVIORAL HEALTH SERVICES

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

RE: Family & Community Services, Inc. dba Valley Counseling Services and dba Mobile Meals
Ohio Medicaid Number: 2783171, 2846602 and 3048660
NPI: 1497267991, 1932274065 and 1952662108

We examined compliance with specified Medicaid requirements during the period of July 1, 2018 through June 30, 2021 for service documentation and service authorization related to the provision of kosher and therapeutic meals; practitioner qualifications and service documentation for therapeutic behavioral services (TBS) and mental health nursing; and service documentation for mental health nursing and evaluation and management (office visit) services when provided on same day for Family & Community Services, Inc. (Family & Community).

We also tested the following select payments:

- Two services which were paid by both fee-for-service and a Medicaid managed care organization (MCO);
- Instances in which individual psychotherapy, group psychotherapy and/or substance abuse disorder (SUD) case management were reimbursed when the recipient also received residential treatment service; and
- A sample of SUD low-intensity residential treatment (halfway house) and a sample of SUD high-intensity residential treatment services during calendar years 2019 and 2020.

Family & Community 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 to fully disclose the extent of services provided and significant business transactions. Family & Community is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined. Our responsibility is to express an opinion on Family & Community's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Family & Community complied, in all material respects, with the specified requirements detailed in the Compliance Section. We are required to be independent of Family & Community and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

An examination involves performing procedures to obtain evidence about whether Family & Community complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion. Our examination does not provide a legal determination on Family & Community's compliance with the specified requirements.

Internal Control over Compliance

Family & Community 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 the Family & Community's internal control over compliance.

Basis for Adverse Opinion

Our examination disclosed that, in a material number of instances, Family & Community did not have documentation to support Medicaid payments, billed for mental health nursing services that were not distinct and separate from office visits, and billed units of service that were greater than documented duration.

Adverse Opinion on Compliance

In our opinion, Family & Community has not complied, in all material respects, with the selected requirements of the provision of kosher and therapeutic meals and select behavioral health services for the period of July 1, 2018 through June 30, 2021.

Our testing was limited to the specified Medicaid requirements detailed in the Compliance Section. We did not test other requirements and, accordingly, we do not express an opinion on Family & Community's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$15,536.15. This finding plus interest in the amount of \$1,746.22 (calculated as of December 16, 2022) totaling \$17,282.37 is due and payable to the Department upon its adoption and adjudication of this examination report.

Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process. If waste and abuse¹ 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. Ohio Admin. Code § 5160-1-29(B)

This report is intended solely for the information and use of Family & Community, 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).

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A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

December 16, 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).

Family & Community is an Ohio Department of Mental Health and Addiction Services certified agency (Types 84 and 95) and a Waivered Service Organization (Type 45) and received payment of \$19.2 million including managed care and fee-for-service payments for 379,706 services². Family & Community is identified in the Medicaid Information Technology System (MITS) as doing business as Valley Counseling Service and Mobile Meals. Family & Community has numerous additional registered fictitious and trade names with the Ohio Secretary of State.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Family & Community's 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 select payments for home delivered meals and behavioral health services as specified below for which Family & Community billed with dates of service from July 1, 2018 through June 30, 2021 and received payment.

We obtained Family & Community's claims from the Medicaid database which contains services billed to and paid by Ohio's Medicaid program. We also obtained claims data from one MCO and verified that the services were paid to Family & Community's tax identification number. From the combined fee-for-service and MCO claims data, we removed services paid at zero and services with a third-party payment. From the remaining total paid services, we selected the following in order:

- A random sample of 60 RDOS³ of home delivered kosher or therapeutic meals (Kosher and Therapeutic Meals Sample);
- Two services that were paid by both fee-for-service and the MCO (FFS & MCO Duplicate Payment Exception Test);
- Services rendered on an RDOS which included a paid residential treatment service (Unbundling Exception Test);
- A random sample of 60 RDOS with both mental health nursing service and an office visit (Nursing Services and Office Visits Sample); and
- A random sample of 61 RDOS of TBS and mental health nursing services (TBS and Nursing Sample).

As a result of errors found in the unbundling exception test, we selected additional stratified variable samples of SUD low-intensity residential treatment (halfway house) and SUD high-intensity residential treatment and tested for service documentation and provider qualifications. The exception tests and calculated sample sizes are shown in **Table 1**.

² Payment data is from MITS and includes fee-for-service and managed care payments for services in which Medicaid was the primary payer.

³ An RDOS is defined as all services for a given recipient on a specified date of service.

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Table 1: Exception Tests and Samples			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
FFS and MCO Duplicate Payment	2 RDOS		4
Unbundling ¹	44 RDOS		105
Samples			
Kosher and Therapeutic Meals (S5170 U6)	588 RDOS	60	68
Nursing Services and Office Visits ²	138 RDOS	60	120
TBS and Nursing Services (H2019)	7,713 services	61	61
Expanded Residential Treatment			
Low-Intensity/Halfway House (H2034)	2,699 services	93	93
High-Intensity (H2036)	182 services	63	63
Total		337	514

¹ Exception Test includes individual psychotherapy – 60 minutes (90837), group psychotherapy (90853), SUD case management (H0006) along with SUD residential treatment (H2034 and H2036)

² Sample includes office visits (99213 and 99214) and mental health nursing (H2019).

A notification letter was sent to Family & Community setting forth the purpose and scope of the examination. During the entrance conference, Family & Community described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record system used, reviewed service documentation and verified professional licensure. We sent preliminary results to Family & Community and it submitted no additional documentation prior to the completion of our fieldwork.

Results

The summary results are shown in **Table 2**. While certain services had more than one error, only one finding was made per service. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
FFS and MCO Duplicate Payment	4	2	2	\$305.14
Unbundling	105	62	62	\$2,051.02
Samples				
Kosher and Therapeutic Meals	68	7	7	\$316.80
Nursing Services and Office Visits	120	38	38	\$1,212.96
TBS and Nursing Services	61	19	19	\$479.76
Expanded Residential Treatment				
Low-Intensity/Halfway House	93	41	41	\$6,255.37
High-Intensity	63	23	23	\$4,915.10
Total	514	192	192	\$15,536.15

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 35 providers in the service documentation for the selected TBS and Nursing Services sample and the expanded residential treatment samples 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.

TBS and Nursing Services Sample

For the 11 licensed practitioners identified in the service documentation for this sample, we verified via the e-License Ohio Professional Licensure System website that their certifications or licenses were current and valid on the first date found in our selected services and were active during the remainder of the examination period.

We did not test provider qualifications for the exception tests or additional samples.

B. Service Documentation

Kosher and Therapeutic Meals Sample

Documentation requirements for verification of home meal delivery includes the individual's name, the date and time of delivery of all meals and the number of meals delivered. See Admin. Code § 5160-44-11(F). We compared Family & Community's documentation to the required elements.

The 68 services examined contained four instances in which there was no service documentation to support the payment. These four errors were included in the improper payment of \$316.80

Family & Community indicated that they bill based off the scheduled service date and not the documented date of delivery.

Behavioral Health Services

Documentation requirements include the date, time of day, and duration of service contact. See Ohio Admin. Code §§ 5160-27-02(H) and 5160-8-05(F). We compared Family & Community's documentation to the required elements. We also compared units billed to documented duration and we ensured the services met the duration requirements. For errors where units billed exceeded the documented duration, the improper payment was based on the unsupported units.

FFS and MCO Duplicate Payment Exception Test

We confirmed the two services were paid by both the Department and the MCO. These two errors resulted in the improper fee-for-service payment amount of \$305.14.

Family & Community stated that it only received payments from the MCO for these two services. We verified with the Department that it had also issued payment for these services and that there had been no adjustment to these payments.

B. Service Documentation (Continued)

Unbundling Exception Test

The 105 services examined contained 60 services that are included in the residential treatment service and are not reimbursed separately per Ohio Admin. Code § 5160-27-09(B)(3). There were also two instances in which there was no service documentation to support the payment. These 62 errors resulted in an improper payment of \$2,051.02.

Family & Community stated that documentation was collected and stored on a supervisor's computer was destroyed when the supervisor terminated employment. Family & Community stated that new documentation forms and standards were implemented in 2019 and it continues to work with its vendor to improve the electronic health record (EHR) functionality and reduce errors.

Nursing Services and Office Visits Sample

The 120 services examined contained 38 instances in which the documentation did not support a distinct and separate service. These 38 errors resulted in an improper payment of \$1,212.96.

TBS and Nursing Services Sample

The 61 services examined contained 19 instances in which the units billed were greater than the documented duration. These 19 errors resulted in an improper payment of \$479.76.

Family & Community stated that an error in the EHR system led to the calculation error in the billed units and that it will work with the software vendor and its billing company to determine the cause.

Expanded Residential Treatment Samples

The 156 services examined contained 64 instances in which there was no service documentation to support the payment. Specifically, 41 of the 93 low-intensity residential treatment (44 percent) and 23 of the 63 high-intensity residential treatment (37 percent) lacked support for the payment. The 41 errors resulted in an improper payment of \$6,255.37 and the 23 errors resulted in an improper payment of \$4,915.10. In total, these 64 errors resulted in an improper payment of \$11,170.47.

Recommendation

Family & Community should develop and implement procedures to ensure that all service documentation and billing practices fully complies with requirements contained in Ohio Medicaid rules. Family & Community should also develop and implement procedures to ensure that service delivery is completed prior to billing to fully comply with Medicaid requirements. The current practice of billing from a schedule could result in billing for services that are not performed.

Family & Community should also seek technical assistance from the Ohio Department of Mental Health and Addiction Services to ensure it is properly documenting behavioral health services and the Department should monitor Family & Community for compliance.

C. Authorization to Provide Services

Home Delivered Meal Authorizations

Per Ohio Admin. Code § 5160-44-02, individuals receiving home and community-based services are required to have a person-centered services plan that describes the goals, objectives and interventions selected to support him or her in the community. In addition, meal delivery shall be specified in the person-centered services plan and the plan shall include the type and amount of meals to be furnished, as well as the frequency. See Ohio Admin. Code § 5160-44-11.

C. Authorization to Provide Services (Continued)

Kosher and Therapeutic Meals Sample

We obtained the person-centered services plans from Family & Community and confirmed that the plans authorized the services examined. The 68 services examined contained two instances in which there was no plan for the selected dates of service and one instance in which the service was not authorized in the plan. These three errors are included in the improper payment of \$316.80.

Unbundling Exception Test

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 §§ 5160-27-02(H) and 5160-8-05(F).

We obtained treatment plans from Family & Community for the services in this exception test and confirmed that the treatment plan authorized the service examined and was signed by the recording practitioner. All selected payments were supported by treatment plans.

We did not examine authorization to provide services in the selected samples.

Recommendation

Family & Community should develop and implement procedures to ensure that all service authorizations and billing practices fully complies with requirements contained in Ohio Medicaid rules. In addition, Family & Community should implement a quality review process to ensure that service authorizations are complete and accurate prior to submitting claims for reimbursement.

OHIO AUDITOR OF STATE KEITH FABER



FAMILY & COMMUNITY SERVICES, INC. DBA VALLEY COUNSELING SERVICES AND DBA MOBILE MEALS

PORTAGE 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 1/31/2023

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