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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT BEHAVIORAL HEALTH SERVICES

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

RE: H.O.P.E. Counseling and Addiction Services, LLC
Ohio Medicaid Number: 0340999 NPI: 1124589759

We examined compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of partial hospitalization services and intensive outpatient program services during the period of January 1, 2019 through December 31, 2020 for H.O.P.E. Counseling and Addiction Services, LLC (H.O.P.E.).

We also examined service documentation related to the provision of group counseling services rendered on the same day as partial hospitalization services and intensive outpatient program services.

H.O.P.E. 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. Management of H.O.P.E. is responsible for its compliance with the specific requirements. The Compliance Section of this report identifies the specific requirements included in the engagement.

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 H.O.P.E. complied, in all material respects, with the specified requirements referenced above. We are required to be independent of H.O.P.E. 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 H.O.P.E. 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 H.O.P.E.'s compliance with the specified requirements.

Internal Control over Compliance

H.O.P.E. 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 H.O.P.E.'s internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed that, in a material number of instances, H.O.P.E. did not have documentation to support payments for partial hospitalization and intensive outpatient program services.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, H.O.P.E. has complied, in all material respects, with the specified requirements of partial hospitalization services and intensive outpatient program services for the period of January 1, 2019 through December 31, 2020.

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 H.O.P.E.'s compliance with other requirements.

We identified improper Medicaid payments in the amount of $12,552.16. This finding plus interest in the amount of $1,581.06 (calculated as of December 21, 2022) totaling $14,133.22 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. *See* Ohio Admin. Code § 5160-1-27.

This report is intended solely for the information and use of H.O.P.E., 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

December 21, 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).

H.O.P.E. is an Ohio Department of Mental Health and Addiction Services licensed treatment program (type 95) located in Youngstown, Ohio and received over $1.81 million in payments[1] for 16,148 services. In 2020, H.O.P.E. became part of Ohio Valley Teen Challenge Inc.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether H.O.P.E.'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 behavioral health services as specified below for which H.O.P.E. billed with dates of service from January 1, 2019 through December 31, 2020 and received payment.

We obtained H.O.P.E.'s fee-for-service claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We also obtained paid claims data from one Medicaid managed care organization (MCO) and verified that all services were paid to H.O.P.E.'s tax identification number. The total services for the combined fee-for-service and select MCO claims totaled $407,115 for 3,586 services. From this population we removed services paid at zero and services in which Medicaid was not the primary payer and then selected payments for the following:

- An exception test of group therapy services (procedure codes H0005 and 90853) rendered on the same RDOS[2] as partial hospitalization services and intensive outpatient program services (procedure code H0015); and
- A non-statistical sample of partial hospitalization services and intensive outpatient program services (H0015).

The calculated sample sizes are shown in **Table 1**.

Table 1: Samples

Universe	Population Size	Sample Size	Selected Services
Exception Test			
Group Therapy (H0005 and 90853) on the Same RDOS as Partial Hospitalization and Intensive Outpatient Program Services (H0015)	50 RDOS		103
Sample			
Partial Hospitalization and Intensive Outpatient Program Services (H0015)	1,716 RDOS	60 RDOS	66
Total	**1,766 RDOS**		**169**

[1] Payment data from the Medicaid Information Technology System and these amounts include fee-for-service and managed care payments for services in which Medicaid was the primary payer.
[2] RDOS is defined as all services for a given recipient on a specific date of service.

Purpose, Scope, and Methodology (Continued)

A notification letter was sent to H.O.P.E. setting forth the purpose and scope of the examination. During the entrance conference, H.O.P.E. described its documentation practices and billing process. During fieldwork, we reviewed service documentation and authorization. We sent preliminary results to H.O.P.E. and it subsequently submitted additional documentation which we reviewed for compliance 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 Test				
Group Therapy on the Same RDOS as Partial Hospitalization and Intensive Outpatient Program Services	103	78	78	$8,673.13
Sample				
Partial Hospitalization and Intensive Outpatient Program Services	66	24	24	$3,879.03
Total	**169**	**102**	**102**	**$12,552.16**

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 19 practitioners in the service documentation for the sample of partial hospitalization services and intensive outpatient program 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 three identified administrative staff names to the same database and exclusion/suspension list and found no matches.

For the 13 certified practitioners and six licensed practitioners identified in the service documentation, we verified via the eLicense 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 for all selected services.

B. Service Documentation

Documentation requirements include the date, description, and duration of service contact. *See* Ohio Admin. Code §§ 5160-27-02(H) and 5160-8-05(F). We compared H.O.P.E.'s documentation to the required elements. We also compared units billed to the documented duration and service delivery times to identify overlapping services.

B. Service Documentation (Continued)

For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units. For instances in which H.O.P.E. submitted two service documents with differing information including the beginning and ending times for the same service, we identified an improper payment for the service.

Group Therapy on the Same RDOS as Partial Hospitalization Services and Intensive Outpatient Program Services Exception Test

The 103 services examined contained the following errors:

- 55 instances in which there was no service documentation to support the payment;
- 6 instances with two differing service documents for the same service;
- 13 instances in which the units of group therapy exceeded the coverage limitation when partial hospitalization or intensive outpatient services were also billed; and
- 3 instances of partial hospitalization and 1 instance of intensive outpatient services in which the duration of the service did not meet the required minimum duration.

These 78 errors resulted in the improper payment amount of $8,673.13

Partial Hospitalization Services and Intensive Outpatient Program Services Sample

The 66 services examined contained 21 instances in which there was no service documentation to support the payment and two instances with two differing service documents for the same service. These 23 errors are included in the improper payment of $3,879.03.

H.O.P.E. indicated that the multiple, differing service documentation for the same service was the result of human error when recording the service.

Recommendation

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

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 confirmed that H.O.P.E.'s treatment plans authorized partial hospitalization or intensive outpatient program services for the date examined.

Partial Hospitalization Services and Intensive Outpatient Program Services Sample

The 66 services examined contained one instance in which there was no treatment plan to cover the service date. This one error is included in the improper payment of $3,879.03.

We did not test for the presence of signed treatment plans for the services in the exception test.

C. Authorization to Provide Services (Continued)

Recommendation

H.O.P.E should implement a quality review process to ensure that authorizations are complete and accurate prior to submitting claims for reimbursement. H.O.P.E. should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

Official Response

H.O.P.E. stated that the non-compliance identified in this report is directly attributable to errors or admissions caused by the prior leadership and that it is committed to reimbursing the determined overpayment and continuing compliant operations under the new leadership.

OHIO AUDITOR OF STATE
KEITH FABER

H.O.P.E. COUNSELING AND ADDICTION SERVICES, LLC

MAHONING 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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