



**COMMUNITY CARE ON WHEELS, INC.
SUMMIT COUNTY**

MEDICAID COMPLIANCE REPORT

FOR THE PERIOD SEPTEMBER 1, 2008 THROUGH JUNE 30, 2010



Dave Yost • Auditor of State

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**COMMUNITY CARE ON WHEELS, INC.
SUMMIT COUNTY**

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Independent Accountant's Report

Cathy Jacobs, Director of Operations
Community Care on Wheels, Inc.
60 Kauffmans Creek
Clinton, Ohio 44216

Re: *Medicaid Provider Number 2711060*

Dear Mrs. Jacobs:

We examined Community Care on Wheels, Inc. (the Provider) for compliance with Ohio Administrative Code (Ohio Admin. Code) § 5101:3-15 during the period of September 1, 2008 through June 30, 2010. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Management is responsible for Community Care on Wheels, Inc.'s compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 406 ambulette services and identified 561 errors relating to non-compliance with those requirements. We found the Provider was overpaid by Ohio Medicaid for ambulette services between September 1, 2008 and June 30, 2010 in the amount of \$376,340.00. This finding plus interest in the amount of \$66,565.78 (calculated as of January 4, 2013) totaling \$442,905.78 is due and payable to the Office of Medical Assistance (OMA) upon OMA's adoption and adjudication of this examination report.¹ After adjudication by OMA, additional interest may be assessed until the finding and interest is paid in full.

When the Auditor of State (AOS) identifies fraud, waste or abuse by a provider in an examination,² any payment amount in excess of that legitimately due to the provider will be recouped by OMA through its office of fiscal and monitoring services, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5101:3-1-29(B). Therefore, a copy of this report will be forwarded to OMA because it is the state agency charged with administering Ohio's Medicaid program. OMA is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the

¹ Effective September 10, 2012, OMA replaced the Ohio Department of Job and Family Services (ODJFS) as the single state agency responsible for supervising the administration of Ohio's Medicaid program pursuant to Ohio Rev. Code § 5111.01.

² "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "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 § 5101:3-1-29(A).

findings contained herein, you may expedite repayment by contacting OMA's Office of Legal Services at (614) 752-3631.

Copies of this report are also being sent to the Medicaid Fraud Control Unit of the Ohio Attorney General's Office; the U.S. Department of Health and Human Services/Office of Inspector General; and the Ohio Medical Transportation Board. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

March 20, 2013

Compliance Report for Community Care on Wheels, Inc.

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. The rules and regulations that providers must follow are specified in the Ohio Administrative Code and the Ohio Revised Code. The fundamental concept underlying the Medicaid program is medical necessity of services, defined as services which are necessary for the diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. See Ohio Admin. Code § 5101:3-1-01(A).

The Auditor of State performs examinations to assess provider compliance with Medicaid reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care and medical necessity. According to Ohio Admin. Code § 5101:3-1-17.2(D), 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 or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5101:3-1-17.2(E); see also Ohio Admin. Code § 5101:3-1-27(C),(E),(F).

The Provider's Ohio Medicaid provider number is 2711060 and the Provider is a transportation company located in Summit County, Ohio, that renders ambulette services to Ohio Medicaid recipients. The physical location for the transportation company at the time this examination was initiated was 572 West Market Street in Akron, Ohio. The Provider's current location is 2182 Romig Road, Akron, Ohio. The Provider received reimbursement of \$414,808.65 for 29,059 ambulette services rendered on 7,580 recipient dates of service³ during the examination period.

Some Ohio Medicaid patients that are permanently or temporarily confined to a wheelchair may be eligible to receive transportation services provided by an ambulette provider. See Ohio Admin. Code § 5101:3-15-03(B)(2). An ambulette is a vehicle designed to transport wheelchair bound individuals. Qualifying ambulette services must be certified as medically necessary by an attending practitioner⁴, for individuals who are:

1. Non-ambulatory,
2. Able to be safely transported in a wheelchair, and
3. Do not require an ambulance.

All medical transportation services must be prescribed by a Certificate of Medical Necessity (CMN) except for ambulance transports to a hospital emergency room and ambulance or ambulette transfers of individuals, who are non-ambulatory, from one hospital to another hospital if the

³ A recipient date of service is defined as all services for a given patient on a specific date of service.

⁴ "Attending practitioner" is defined as the practitioner (*i.e.*, primary care practitioner or specialist) who provides care and treatment to the patient on an ongoing basis and who can certify the medical necessity for the transport. An attending practitioner can be a doctor of medicine, a doctor of osteopathy, a doctor of podiatric medicine, or an advanced practice nurse. Ohio Admin. Code § 5101:3-15-01(A)(6).

services provided at the second hospital are covered by Medicaid See Ohio Admin. Code § 5101:3-15-02(E)(4).

Ambulette providers must maintain records describing the transportation services including:

- The time of scheduled pick up and drop off, attendant name, patient name and Medicaid number, driver name, vehicle identification, name and address of the Medicaid covered service provider at the Medicaid covered point of transport, pick-up and drop-off times, the type of transport provided, and mileage;
- the original CMN; and
- Current certification or licensure for the driver and attendants.

See Ohio Admin. Code § 5101:3-15-02(E)(2)

Purpose, Scope, and Methodology

The purpose of this examination was to examine Medicaid reimbursements made to the Provider for services and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. At the conclusion of the examination, we will identify, if appropriate, any findings resulting from non-compliance. The scope of the engagement was limited to an examination of ambulette services (transports and mileage) for which the Provider rendered services to Medicaid patients and received payment during the period of September 1, 2008 through June 30, 2010.

We received the Provider's paid claims history from OMA's Medicaid Management Information System (MMIS) database of services billed to and paid by Ohio's Medicaid program. We extracted claims that OMA had previously reviewed and identified as an overpayment. From this sub-population, we selected a statistical random sample to facilitate a timely and efficient examination of the Provider's ambulette services as permitted by Ohio Admin. Code § 5101:3-1-27(B)(1). We reviewed Billing Form/Trip Order documents and CMNs obtained from the Provider to verify that the Provider rendered services in accordance with the Ohio Medicaid rules. We also reviewed annual vehicle records to verify that ambulettes were appropriately licensed by the Ohio Medical Transportation Board (OMTB).

An engagement letter was sent to the Provider on July 25, 2012, setting forth the purpose and scope of the examination. Our fieldwork was performed in August 2012. After conducting our initial review of records on-site, we forwarded a compiled list of missing records to the Provider. The provider submitted additional documentation on September 5, 2012 which was reviewed for compliance. An exit conference was held on March 12, 2013 and at this time the Provider submitted additional documentation. We reviewed this additional documentation for compliance and updated the results contained in this report.

Results

We reviewed 406 ambulette transportation service lines (202 paid services for the transports and 204 paid services for mileage) and identified 561 errors. The reimbursements for those services with errors were disallowed. While certain services had more than one error, only one finding was made per service. The bases for our findings are discussed below in more detail.

The overpayments identified for 95 of 105 statistically sampled recipient dates of service (364 of 406 services) were projected to the Provider's sub-population of paid services resulting in a projected overpayment repayable to OMA of \$376,340.00 with a 95 percent degree of certainty that

the true population overpayment amount fell within the range of \$346,912.00 to \$405,768.00. A detailed summary of our statistical sample and projection results is presented in **Appendix I**.

A. Certificate of Medical Necessity

All transportation providers are required by Ohio Admin. Code § 5101:3-15-02(E)(2)(b) to obtain a CMN, signed by an attending practitioner, that documents the medical necessity of the transport. Ambulette providers must obtain the completed, signed and dated CMN prior to billing the transport. See Ohio Admin. Code § 5101:3-15-02(E)(4)(d)

The review identified 274 service lines that did not have a completed CMN to authorize the transport and 66 service lines where the CMN was invalid. A CMN is invalid due to the practitioner not certifying that the patient is non-ambulatory or needing a wheelchair, no medical condition listed, or not signed by an authorized practitioner. The Provider indicated they were unaware that CMNs documenting a permanent non-ambulatory status are valid for 365 days from the date of first transport. The Provider's practice is to only obtain a new CMN if there is a change with the recipient.

These errors were disallowed and were used in the overall finding projection.

B. Trip Documentation and Vehicle Licensure

Trip documentation should describe the transport from the time of pick-up, time of drop-off, mileage, addresses to and from destination points and the driver's name for each trip. This requirement is necessary to calculate the correct payment prior to billing Ohio Medicaid. See Ohio Admin. Code § 5101:3-15-02(E)(2)(a). Ambulette providers must also comply with all federal and state rules including vehicle licensing requirements established by OMTB. Ohio Admin. Code § 5101:3-15-02(A)(2). The examination found the following 164 non-compliance issues:

- 156 services with no service documentation to support the trip;
- 6 services where the documentation was incomplete – missing pick up and drop off times, mileage, identification of driver or complete addresses; and
- 2 services in which the mileage billed was not supported by the documentation.

In addition, there were 57 services where the vehicle used in transporting the patient was not licensed by OMTB. The errors were disallowed and were used in the overall finding projection.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on February 20, 2013, and the Provider was afforded an opportunity to respond to this examination report.

AOS received verbal comments from the Provider in response to the draft report. The Provider noted that its trip sheets are maintained in date order by year. There was confusion in preparing for the audit and the files were torn apart and then organized by recipient. As a result, it was difficult for documents to be located. The Provider explained that it uses Schedule View software with trip sheets and a master log to document its services. The Provider indicated that it was taking measures to correct the areas of non-compliance identified in the report.

APPENDIX I

**Summary of Statistical Sample Analysis of Community Care on Wheels
 For the period September 1, 2008 through June 30, 2010
 Ambulette Services**

Description	Results
Type of Examination	Simple Random Sample
Number of Population Recipient Dates of Service (RDOS)	7,580
Number of Population Claims Sampled	105
Number of Population Services Provided	29,059
Number of Population Services Sampled	406
Total Medicaid Amount Paid for Population	\$414,808.65
Amount Paid for Population Services Sampled	\$5,817.92
Upper Limit Overpayment Estimate at 95% Confidence Level	\$405,768.00
Lower Limit Overpayment Estimate at 95% Confidence Level	\$346,912.00
Precision of population overpayment projection at the 95% Confidence Level	+/- \$29,428.00
Projected Population Overpayment Amount	\$376,340.00

Source: AOS analysis of MMIS information and the Provider's medical records

Note: The Summary of Statistical Analysis reflects only the population and sample used to calculate the overpayment projection.



Dave Yost • Auditor of State

COMMUNITY CARE ON WHEELS, INC

SUMMIT COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
APRIL 09, 2013**