



OHIO AUDITOR OF STATE
KEITH FABER



**A BETTER ALTERNATIVE TO SENIOR CARE, INC.
CUYAHOGA COUNTY**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE
MEDICAID PROGRAM APPLICABLE TO HOME HEALTH AIDE AND SELECT WAIVER SERVICES**

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

RE: A Better Alternative to Senior Care, Inc.
Medicaid Numbers 0070266 and 2149286

We were engaged to examine A Better Alternative to Senior Care, Inc.'s (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of home health aide services and provider qualifications and service documentation related to the provision of personal care aide services and preadmission screening system providing options and resources today (PASSPORT) homemaker and personal care aide services during the period of July 1, 2014 through June 30, 2017. Management of A Better Alternative to Senior Care, Inc. is responsible for its compliance with the specified requirements.

The Provider entered into an agreement (the Provider Agreement) with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients and to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid.

Our responsibility is to express an opinion on the Provider's compliance with the specified Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. An examination involves performing procedures to obtain evidence about whether the Provider 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. Our examination does not provide a legal determination on the Provider's compliance with the specified requirements.

Internal Control Over Compliance

The Provider 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 Provider's internal control over compliance.

Basis for Disclaimer of Opinion

We became aware of activities being performed by another oversight agency and the results of those activities could have a material impact on the subject matter of this compliance examination. In addition, discrepancies were noted with the first aid certifications submitted as evidence on the qualifications of aides that rendered services during the examination period. The contracted instructor acknowledged that the cards had been re-created at the request of the Provider for this examination. We found discrepancies with these cards and no adequate explanation for these discrepancies.

Basis for Disclaimer of Opinion (Continued)

The Provider declined to submit a signed representation letter acknowledging responsibility for maintaining records and complying with applicable laws and regulations regarding Ohio Medicaid reimbursement; establishing and maintaining effective internal control over compliance; making available all documentation related to compliance; and responding fully to our inquiries during the examination.

Disclaimer of Opinion

Because of the matter described in the preceding paragraphs, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the Provider's compliance with the specified requirements for the period of July 1, 2014 through June 30, 2017.

We calculated improper Medicaid payments in the amount of \$449,581.86. This finding plus interest in the amount of \$25,675.44 (calculated as of February 22, 2019) totaling \$475,257.30 is due and payable to the ODM upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the ODM, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27 In addition, if fraud, waste and abuse¹ are suspected or apparent, the ODM and/or the office of the attorney general will take action to gain compliance and recoup inappropriate or excess payments in accordance with rule 5160-1-27 or 5160-26-06 of the Administrative Code.

This report is intended solely for the information and use of the Provider, the ODM and other regulatory and oversight entities, 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

February 22, 2019

¹ "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 constitutes an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5160-1-29(A)

COMPLIANCE EXAMINATION REPORT

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 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 prevention, diagnosis, evaluation or treatment of an adverse health condition. See Ohio Admin. Code § 5160-1-01(A) and (B)

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. Ohio Admin Code § 5160-1-17.2(D) and (E)

Ohio Medicaid recipients may be eligible to receive home health services, waiver services or both. According to Ohio Admin Code § 5160-12-01(E), the only provider of home health services is a Medicare certified home health agency (MCRHHA) that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Waiver services can be provided by a MCRHHA, an otherwise-accredited home health agency or a non-agency nurse or personal care aide. Eligible providers of PASSPORT services are certified by the Ohio Department of Aging (ODA).

The Provider is a MCRHHA and a waived service organization and received reimbursement of \$2,076,251 for 42,862 services under Medicaid provider number 0070266, including the following:

- 22,704 home health aide services (procedure code G0156);
- 8,037 PASSPORT personal care aide services (procedure code PT624);
- 6,059 PASSPORT homemaker services (procedure code PT570);
- 4,722 personal care aide services (procedure code T1019)
- 1,314 skilled nursing services (procedure code G0154, G0299, T1002);
- 23 private duty nursing (procedure code T1000); and
- 3 nursing assessment services (procedure code T1001).

The Provider also received reimbursement of \$314,855 for 6,825 PASSPORT waiver services under Medicaid provider number 2149286, including 4,135 personal care aide services (procedure code PT624); and 2,690 homemaker services (procedure code PT570). This number became inactive in September, 2015.

The Provider has a third Medicaid provider number, 2504374, and received reimbursement of \$155,996 for Developmental Disabilities waiver services under this number during our examination period.

Our examination was limited to services reimbursed under provider numbers 0070266 and 2149286. The scope did not include any services reimbursed under provider number 2504374.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the Provider's Medicaid claims for reimbursement 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.

Purpose, Scope, and Methodology (Continued)

The scope of the engagement was limited to an examination of home health aide and select waiver services as specified below that the Provider billed with dates of service from period of July 1, 2014 through June 30, 2017 and received payment.

We received the Provider's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all services with third party co-payments and services with a paid amount of zero. We then created a file of all services paid under Medicaid provider numbers 0070266 and 2149286. Another agency was conducting a separate review of this Provider that focused on specific recipients. We obtained the names of these recipients and excluded all associated services from population for this examination.

From the remaining population, we extracted home health aide services (procedure code G0156), personal care aide services (procedure code T1019) and PASSPORT homemaker and personal care aide services (procedure codes PT624 and PT570). We pulled separate samples from these three categories as described below to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1). The sampling unit for the three samples is a recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service. From the three populations, an estimate of the population overpayment standard deviation was made using the standard deviation of the actual amount paid per service and a 47 percent error rate for the home health aide services sample and personal care aid services sample based on prior examinations of these categories and a 50 percent error rate for the PASSPORT homemaker and personal care aide services sample as a conservative estimate.

To increase sampling efficiency and account for skewness and kurtosis, two of the three populations were divided into strata using a modified cumulative frequency square root method (Dalenius-Hodge rule)². We used the U.S. Department of Health and Human Services/Office of Inspector General's (HHS/OIG) RATSTATS³ statistical program to calculate the overall sample sizes. The final sample sizes are shown in Table 1 below.

Table 1		
Universe/Strata	Population Size	Sample Size
Home Health Aide Services Sample		
RDOS Paid at \$39.99 and below	13,225	271
RDOS Paid Between \$40.00 and \$59.99	3,629	106
RDOS Paid \$60.00 and Over	1,217	64
Total:	18,071	441

² Sampling of Populations: Methods and Applications 3rd Ed. by P.S. Levy and S. Lemeshow, Wile Series in Probability and Statistics, pp. 179-183

³ RAT-STATS is a free statistical software package that providers can download to assist in a claims review. The package, created by OIG in the late 1970s, is also the primary statistical tool for OIG's Office of Audit Services.

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Table 1		
Universe/Strata	Population Size	Sample Size
Personal Care Aide Services Sample		
RDOS	1,892	444
PASSPORT - Homemaker and Personal Care Aide Services Sample		
RDOS Paid at \$29.99 and below	3,660	43
RDOS Paid Between \$30.00 and \$49.99	4,059	82
RDOS Paid Between \$50.00 and \$79.99	3,490	108
RDOS Paid Between \$80.00 and \$109.99	2,225	104
RDOS Paid \$110.00 and Over	723	56
Total:	14,157	393

We then obtained the detailed services for the sampled RDOS. A total of 1,578 services were selected for examination in the three samples.

A notification letter was sent to the Provider setting forth the purpose and scope of the examination. During the entrance conference, the Provider described its documentation practices and process for submitting billing to the Ohio Medicaid program. The Provider submitted documentation on multiple occasions and we reviewed all documentation for compliance.

Results

While certain services had more than one error, only one finding was made per service. The non-compliance and basis for our findings is discussed below in more detail.

Home Health Aide Services Sample

We examined 476 services and found 237 errors. The overpayments identified for 220 of 441 statistically sampled RDOS (227 of 476 services) from a stratified random sample were projected across the Provider's population of paid home health aide (G0156) services resulting in a projected overpayment of \$353,075 with a 95 percent degree of certainty that the true population overpayment amount fell within the range of \$316,748 to \$389,401 (+/- 10.29 percent). A detailed summary of our statistical sample and projection results is presented in **Appendix I**.

Results (Continued)

Personal Care Aide Services Sample

We examined 598 services and found 280 errors. The overpayments identified for 241 of 444 statistically sampled RDOS (272 of 598 services) from a simple random sample were projected across the Provider's population of paid personal care aide (T1019) services claims resulting in a projected overpayment of \$94,267 with a 95 percent degree of certainty that the true population overpayment amount fell within the range of \$85,340 to \$103,194 (+/- 9.47 percent). A detailed summary of our statistical sample and projection results is presented in **Appendix II**.

PASSPORT - Homemaker and Personal Care Aide Services Sample

We examined 170 homemaker and 334 personal care aide services, a total of 504 PASSPORT services, and found 34 errors. These 34 errors are included in the improper payment amount of \$2,239.86.

A. Provider Qualifications

Aides

Per Ohio Admin. Code § 5160-1-17.2, in signing the Medicaid provider agreement, the 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 compared the names of the aides that rendered services in the samples to the Office of Inspector General exclusion database and the Ohio Department of Medicaid exclusion or suspension list.

We tested a total of 180 aides and found no matches on an exclusion or suspension list.

Personal Care Aides

In order to submit a claim for reimbursement, all individuals providing personal care aide services must obtain and maintain first aid certification from a class this is not solely internet-based and that includes hands-on training by a certified first aid instructor and a successful return demonstration of what was learned in the course. See Ohio Admin. Code §§ 5160-46-04(B)(6)(a)(ii) and 5160-50-04(B)(6)(a)(ii)

During our initial fieldwork the Provider did not have proof of first aid certification for the aides identified in our samples but did have rosters from some first aid classes conducted by an independent contractor at the Provider's location. The Provider stated the certification cards for active staff were maintained in a binder but that it was with another oversight agency. Later the Provider indicated it did have cards for active staff. The Provider then submitted some first aid certification cards and stated it had contacted the independent contractor who conducted the classes to have him re-create additional cards based on the rosters which the Provider had maintained.

We compared the re-created first aid cards to the rosters and noted that there were cards for aides who were not on any of the rosters. Specifically, there were no rosters for 2013 and the first seven months of 2014; however, there were cards with training dates during these periods.

A. Provider Qualifications (Continued)

We contacted the independent contractor to confirm the process for re-creating the cards. He stated that upon request from the Provider, he re-created first aid cards based on the rosters the Provider maintained but he could not explain why there were cards for aides who were not on any of the rosters. We inquired about the different handwriting on the re-created cards and he explained that a staff person at the agency had assisted him in re-creating the cards. The independent contractor declined to provide a written statement confirming the process followed in re-creating the cards or to explain the discrepancies with the training rosters.

Despite the discrepancies noted with the re-created cards, we did not identify any errors or improper payment related to the re-created cards. The errors and improper payment noted below reflect a conservative approach and users of this report should be aware that the actual errors may be greater.

Personal Care Aide Service Sample

We reviewed personnel records for the 65 personal care aides who rendered services in the sample and found that 22 aides had no first aid certification, one aide had solely internet-based training and 18 aides rendered services during a lapse in first aid certification.

We examined 598 services and found 243 services rendered by an aide who lacked first aid certification on the date of service. These 243 errors are included in the improper payment amount of \$94,267.

Recommendation:

The Provider should improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

The MCRHHA must maintain documentation of home health services provided that includes, but is not limited to, clinical records and time keeping that indicate date and time span of the service and the type of service provided. See Ohio Admin. Code § 5160-12-03

For waiver and PASSPORT services the provider must maintain and retain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times and the dated signatures of the provider and the recipient or authorized representative verifying the service delivery upon completion of service delivery. See Ohio Admin. Code §§ 5160-45-10 and 173-39-02.11

For errors where the number of units billed was not supported by the documentation, the improper payment was based on the difference between the amount reimbursed and the amount that should have been reimbursed.

Home Health Aide Services Sample

We examined 476 services and found 10 services in which there was no service documentation to support the Medicaid payment and six services in which the number of units billed exceeded the documented duration of the service. These sixteen errors are included in the improper payment amount of \$353,075.

B. Service Documentation

Personal Care Aide Services Sample

We examined 598 services and identified the following errors:

- 22 services in which there was no service documentation to support the Medicaid payment;
- 14 services in which the number of units billed exceeded the documented duration; and
- 1 service with no documented duration.

These 37 errors are included in the improper payment amount of \$94,267.

PASSPORT - Homemaker and Personal Care Aide Sample

We examined 504 services and found the following errors:

- 18 services in which the number of units billed exceeded the documented duration;
- 15 services in which there was no service documentation to support the Medicaid payment; and
- 1 service in which the tasks performed were not documented.

These 34 errors are included in the improper payment amount of \$2,239.86.

Recommendation:

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

C. Authorization to Provide Services

Plans of Care

All home health providers are required by Ohio Admin. Code § 5160-12-03 to create a plan of care for recipients and the plan is required to be signed by the recipient's treating physician. Home health providers must obtain the completed, signed and dated plan of care prior to billing the ODM for the service.

Home Health Aide Services Sample

We examined 476 services and found the following errors:

- 148 services in which the plan of care was not signed prior to claim submission (ranging from 1 to 423 days after claim submission);
- 56 services in which the plan of care was not signed by a physician; and
- 17 services in which there was no plan of care to cover the date of service.

These 221 errors are included in the improper payment amount of \$353,075.

Recommendation:

The Provider should establish a system to ensure the signed plans of care are obtained prior to submitting claim for reimbursement to the ODM. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

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Official Response

The Provider was afforded an opportunity to respond to this examination report. The Provider declined to submit an official response to the results noted above.

APPENDIX I

Summary of Home Health Aide Sample

POPULATION

The population is all paid home health aide services with dates of service during the examination period, less certain excluded services, and net of any adjustments.

SAMPLING FRAME

The sampling frame was paid and processed claims from the Medicaid Information Technology System (MITS).

SAMPLE UNIT

The sampling unit was an RDOS.

SAMPLE DESIGN

We used a stratified random sample.

Description	Results
Number of Population RDOS	18,071
Number of Population RDOS Sampled	441
Number of Population RDOS Sampled with Errors	220
Number of Population Services Provided	18,771
Number of Population Services Sampled	476
Number of Services Sampled with Errors	227
Total Medicaid Amount Paid for Population	\$761,105.09
Amount Paid for Population Services Sampled	\$20,480.79
Projected Population Overpayment Amount	\$353,075
Upper Limit Overpayment Estimate at 95% Confidence Level	\$389,401
Lower Limit Overpayment Estimate at 95% Confidence Level	\$316,748
Precision of population overpayment projection at the 95% Confidence Level	\$36,326 (10.29%)

Source: Analysis of MITS information and the Provider's records

APPENDIX II

Summary of Personal Care Aide Sample

POPULATION

The population is all paid personal care aide services with dates of service during the examination period, less certain excluded services, and net of any adjustments.

SAMPLING FRAME

The sampling frame was paid and processed claims from the Medicaid Information Technology System (MITS).

SAMPLE UNIT

The sampling unit was an RDOS.

SAMPLE DESIGN

We used a simple random sample.

Description	Results
Number of Population Recipient Dates of Service (RDOS)	1,892
Number of Population RDOS Sampled	444
Number of Population RDOS Sampled with Errors	241
Number of Population Services Provided	2,548
Number of Population Services Sampled	598
Number of Services Sampled with Errors	272
Total Medicaid Amount Paid for Population	\$198,955.27
Amount Paid for Population Services Sampled	\$47,092.04
Projected Population Overpayment Amount	\$94,267
Upper Limit Overpayment Estimate at 95% Confidence Level	\$103,194
Lower Limit Overpayment Estimate at 95% Confidence Level	\$85,340
Precision of population overpayment projection at the 95% Confidence Level	\$8,927 (9.47%)

Source: Analysis of MITS information and the Provider's records

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OHIO AUDITOR OF STATE KEITH FABER



A BETTER ALTERNATIVE TO SENIOR CARE, INC.

CUYAHOGA 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 23, 2019**