



Dave Yost • Auditor of State

OHIO AUDITOR OF STATE **KEITH FABER**



January 24, 2019

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 14, 2019. Reports completed prior to that date contain the signature of my predecessor.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio



Dave Yost • Auditor of State

Independent Accountants' Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Medicaid (ODM), on the Medicaid ICF-IID Cost Report of Voca Corporation of Ohio DBA David Street Home (hereafter referred to as the Provider) for the period January 1, 2016 through December 31, 2016. The Provider's management is responsible for preparing the Medicaid ICF-IID Cost Report (Cost Report). The sufficiency of these procedures is solely the responsibility of ODM. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Unless otherwise specified, VOCA Corporation of Ohio provided all reports used in the procedures and this report only describes exceptions exceeding \$500 and resulting in decreased costs.

Occupancy and Usage

1. We compared the number of Medicaid and non-Medicaid patient days from the Monthly Census Summary Report to *Schedule A-1, Summary of Inpatient Days*. We found no variances.
2. We selected five residents' medical records and compared the total days of care for December 2016 with the inpatient days reported on the daily census records and *Schedule A-1*. We determined total patient days equaled days reported and that the Provider did not include any waiver respite days as Medicaid or Medicare days.
3. We compared the number of reimbursed Medicaid days per the Quality Decision Support System (QDSS) with *Schedule A-1*. We found that reimbursed Medicaid days were less than total Medicaid days reported.

Medicaid Paid Claims

1. We selected paid claims for the five residents, in the Occupancy and Usage procedure for December 2016, from QDSS and compared the reimbursed days to the days documented per the resident's medical records. We found no variances.

We also compared the documentation to the general requirements of CMS Publication 15-1, Chapter 23, and Ohio Admin. Code §5123:2-7-12, the specific requirements of Ohio Admin. Code §5123:2-7-08(C) to (I) as an occupied or bed hold day, and Ohio Admin. Code §5123:2-7-15 for the payment adjustment requirements for resident's admission, discharge or death. We identified two bed hold days for one recipient without the required authorization and calculated a recoverable finding and reported corresponding adjustments to remove these days in Appendix A.

Recoverable Finding – 2016

Finding \$352.11

We determined the Provider was over reimbursed for two bed hold days for one recipient above the 30 allowed days.

Revenue

1. We compared the Revenue Ledger report with *Attachment 1, Revenue Trial Balance*, and the Appendix to Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1. We reported variances in Appendix A.
2. We scanned the Revenue Ledger for any revenue offsets or applicable credits which were not reported on *Attachment 2, Adjustments to Trial Balance; Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; and Schedule C, Indirect Cost Care Center* in accordance with CMS Publication 15-1, Chapters 1, 6, and 8. We did not identify any revenue offsets/applicable credits.

Non-Payroll Expenses

1. We compared all non-payroll expenses reported on *Schedule B-1, Schedule B-2 and Schedule C* to the Detailed General Ledger report. We found no variances.
2. We scanned the Detailed General Ledger report and selected 20 non-payroll expenses that were reported on *Schedule B-1, Schedule B-2, Schedule C and Exhibit 3, Home Office Trial Balance*. We inspected supporting documentation and compared the allocation and cost classification to Ohio Admin. Code § 5123:2-7 and CMS Publication 15-1. We reported reclassifications in Appendix A
3. We scanned for any unreported contract costs which would require reporting on *Schedule C-3, Costs of Services from Related Parties*. We found no unreported contracts.
4. We compared the Home Office Combined Trial Balance and allocation methodology for Home Office Costs allocated on *Schedule B-1, Schedule B-2 and Schedule C* to Ohio Admin. Code § 5123:2-7 and CMS Publication 15-1, Section 2150. We found no reclassifications or adjustments resulting in decreased costs exceeding five percent.
5. We compared the 2016 non-payroll costs reported on *Schedule B-1, Schedule B-2 and Schedule C* by chart of account code to similar reported costs in 2015. We obtained explanations for five non-payroll variances that increased by more than five percent and \$500:
 - Medical Supply costs increased on *Schedule B-1* due to a client having major medical issues for which Medicare did not fully cover.
 - Water and Sewage costs increased on *Schedule B-1* due to a rate increase.
 - Home Office Costs increased on *Schedule B-2* due to fewer ICF Homes receiving allocated costs.
 - Enterals: Medicare Non-Billing costs increased on *Schedule C* due to a client requiring more enteral feedings.
 - Housekeeping costs increased on *Schedule C* due to a client with special medical issues requiring more housekeeping supplies.

Property

1. We compared the procedures regarding capitalization of fixed assets used for preparing *Schedule D, Capital Cost Center; Schedule D-1, Analysis of Property, Plant and Equipment; and Schedule D-2, Capital Additions/Deletions* with Ohio Admin. Code § 5123:2-7-18 and CMS Publication 15-1. We found no inconsistencies.

Property (Continued)

2. We compared capital assets and corresponding depreciation listed on *Schedule D* and *Schedule D-1* to the Fixed Asset and Depreciation Listing. We found no variances.
3. We selected three additions reported on *Schedule D-1* and *Schedule D-2* and compared the cost basis, useful life and depreciation expense to Ohio Admin. Code § 5123:2-7-18. We reported variances in Appendix A.
4. We inspected a lease agreement for the building lease and storage lease and compared the parties in the agreement with ownership of the Provider and we determined they were non-related party leases that met the requirements of FASB 13 and Ohio Admin. Code §5123:2-7-24(B). We also determined the Provider had a vehicle lease that expired in 2015. The Provider was charging lease costs in 2016 and provided no supporting documentation for this cost; however, the variances did not exceed \$500.
5. We did not perform this procedure as there were no costs recorded in *Schedule E, Balance Sheet, Account 1300, Renovations*.
6. We did not perform this procedure as there were no transportation costs recorded in *Schedule D-1, Analysis of Property, Plant and Equipment*.

Payroll

1. We compared all salary, fringe benefits, payroll tax entries and hours worked on the Detailed General Ledger report to *Schedule B-1; Schedule B-2; Schedule C; and Schedule C-1, Administrator's Compensation*. We found no variances.
2. We selected five employees reported on *Schedule B-1, Schedule B-2, Schedule C and Exhibit 3* and compared the job descriptions to the schedule in which each employee's salary and fringe benefit expenses were reported. We confirmed that the payroll costs were properly classified, allocated and allowable in accordance with Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1, Chapter 9 and Section 2150.
3. We compared the 2016 payroll costs on *Schedule B-1, Schedule B-2, Schedule C, Schedule C-1 and Schedule C-2* by chart of account code to similar costs reported in 2015 and obtained the following Provider's explanation for the one payroll variance that increased by more than five percent and \$500: Administrator costs increased on *Schedule C* due to current Administrator working all of 2016 but only two thirds of 2015.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Medicaid ICF-IID Cost Report. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Voca Corporation of Ohio DBA David Street Home
Independent Accountants' Report on
Applying Agreed-Upon Procedures

This report is intended solely for the information and use of the Provider and the Ohio Department of Medicaid, and is not intended to be, and should not be used by anyone other than the specified parties.

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

January 9, 2019

Appendix A
Voca Corporation of Ohio DBA David Street Home
2016 Medicaid ICF-IID Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A-1 Summary of Inpatient Days				
8. August - Hospital Leave Days (3)	17	(2)	15	To remove unauthorized bed hold days
Schedule B-2 Direct Care Cost Center				
23. Other Direct Care - Specify Below - 6220 - Other/Contract Wages (2)	\$ 6,685	\$ 500	\$ 7,185	To remove expenses for lack of supporting documentation
Schedule D Capital Cost Center				
3. Amortization - Leasehold Improvements - 8030 - Total (3)	\$ 3,524	\$ (1,704)		To correct current year depreciation expense
		\$ (338)	\$ 1,482	To correct current year depreciation expense
4. Depreciation - Equipment - 8040 - Total (3)	\$ 1,069	\$ (14)	\$ 1,055	To correct current year depreciation expense
Schedule D-1 Analysis of Property, Plant and Equipment				
4. Leasehold Improvements - Accumulated Depreciation End of Period (5)	\$ 13,995	\$ (1,704)		To correct accumulated depreciation
		\$ (338)	\$ 11,953	To correct accumulated depreciation
4. Leasehold Improvements - Depreciation this Period (7)	\$ 3,524	\$ (1,704)		To correct current year depreciation expense
		\$ (338)	\$ 1,482	To correct current year depreciation expense
5. Equipment - Accumulated Depreciation End of Period (5)	\$ 9,331	\$ (14)	\$ 9,317	To correct accumulated depreciation
5. Equipment - Depreciation this Period (7)	\$ 1,069	\$ (14)	\$ 1,055	To correct current year depreciation expense
Attachment 1 - Revenue Trial Balance				
3. Medicaid - Account Code 5012, Column 2	\$ 646,640	\$ (770)	\$ 645,870	To reduce revenue to agree to the Revenue Ledger

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OHIO AUDITOR OF STATE
KEITH FABER



VOCA CORP DBA DAVID ST. HOME

STARK 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
JANUARY 24, 2019**