FAMILY HEALTHCARE CENTER, LLC
FRANKLIN COUNTY

COMPLIANCE EXAMINATION

FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

OHIO AUDITOR OF STATE
KEITH FABER

FAMILY HEALTHCARE CENTER, LLC.
FRANKLIN COUNTY

TABLE OF CONTENTS

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OHIO AUDITOR OF STATE
KEITH FABER

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

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

RE: Family Healthcare Center, LLC.
Ohio Medicaid Number: 2681469 and NPI: 1275683476

We were engaged to examine Family Healthcare Center, LLC. (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of select home health aide services and service documentation and provider qualifications related to the provision of personal care aide services during the period of January 1, 2018 through December 31, 2018.

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. Management of Family Healthcare Center, LLC. is responsible for its compliance with the specified requirements.

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

As described in the attached Compliance Examination Report, we noted concerns with the authenticity and validity of the Provider's service documentation. As such, we were unable to gain sufficient reliance on the documentation to determine the Provider's compliance with the specified Medicaid requirements. Nor were we able to satisfy ourselves as to the Provider's compliance with these requirements by other examination procedures.

Disclaimer of Opinion

Because of the limitation on the scope of our examination discussed in the preceding paragraph, 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 Medicaid requirements for the period of January 1, 2018 through December 31, 2018.

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

We identified improper Medicaid payments in the amount of $321.55. This finding plus interest in the amount of $18.27 (calculated as of October 16, 2020) totaling $339.82 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 abuse[1] 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 of the Administrative Code.

This report is intended solely for the information and use of 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

October 16, 2020

[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

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)

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 (MCHHA) that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Waiver services can be provided by a person or agency that has entered into a Medicaid Provider Agreement for the purposes of furnishing these services.

The Provider is a MCHHA and received payment of $832,137 under the provider number examined for 29,290 fee-for-service home health and waiver services. The Provider also received $133,580 in managed care payments which were not included in the scope of our examination. In addition, the Provider had a second Medicaid number (2744909) which was inactive during the examination period.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Family Healthcare Center, LLC.'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 for the engagement was limited to fee-for-service home health aide and personal care aide services as specified below for which the Provider billed with dates of service from January 1, 2018 through December 31, 2018 and received payment. The personal care aide services were to recipients on the Ohio Home Care Waiver.

We received the Provider's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed claims paid at zero. From the total paid services population, we removed services previously recouped by the ODM and all managed care claims.

From the remaining population, we extracted all state plan home health aide services (G0156) and waiver personal care aide (T1019) services in separate files. We summarized each file by recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service.

We used a statistical sampling approach to examine services in order to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1). The calculated sample sizes are shown in **Table 1**.

Purpose, Scope, and Methodology (Continued)

Table 1: Sample Sizes			
Universe	**Population Size**	**Sample Size**	**Selected Services**
Home Health Aide (G0156)	15,004 RDOS	100 RDOS	179
Personal Care Aide (T1019)	810 RDOS	89 RDOS	131
Total	**15,814 RDOS**	**189 RDOS**	**310**

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 billing process. During fieldwork, we reviewed service documentation and personnel records. We sent preliminary results to the Provider, and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

Results

We obtained copies of service documentation from the Provider. Upon reviewing the documentation, we noted the following concerns:

- The signature and/or initials of some recipients appear similar to the signature and/or initials of other recipients and/or an aide indicating the documentation may not have been signed by the recipient submitted on the claim;
- Tasks were marked as performed on dates in which no service was rendered and some tasks were pre-populated on the documentation template indicating documentation may not be completed contemporaneously or be accurate for the actual activities performed;
- In some instances, the same tasks were documented as performed during each shift when two shifts were performed on the same date (e.g. a 7:00am – 8:00am shift and a 7:00pm-8:00pm for the same recipient on the same date included vacuum, dishes, bathroom, empty trash and shopping for both shifts);
- The tasks marked as completed were not always reasonable given the duration of the shift (e.g. vacuum, dishes, bathroom, laundry, meal prep, errands, shopping, med reminder, range of motion and transfer in a one hour shift);
- The dated signature of the provider did not always include the year; however, the year was handwritten elsewhere on the document; and
- In one instance, the same service document was provided for two recipients on the same date except the document for the second recipient had the name of the first recipient crossed out and the name of the second recipient added.

Due to the aforementioned issues, we were unable to gain assurance over the authenticity and validity of the service documentation and the errors and improper payments noted below reflect a conservative approach. Accordingly, users of this report should be aware that the actual errors and improper payments may be greater.

The summary results of the compliance examination are shown in **Table 2.** While certain services had more than one error, only one improper payment was calculated per service. The noncompliance and basis for the findings is discussed below in more detail.

Results (Continued)

Table 2: Results				
Samples	**Services Examined**	**Non-compliant Services**	**Non-compliance Errors**	**Improper Payment**
Home Health Aide	179	15	18	$290.83
Personal Care Aide	131	3	3	$30.72
Total	**310**	**18**	**21**	**$321.55**

A. Provider Qualifications

Exclusion or Suspension List

Per Ohio Admin. Code § 5160-1-17.2(H), 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 identified 45 aides in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the ODM's exclusion or suspension list. We found no matches on an exclusion or suspension list. We also compared identified administrative staff names to the exclusion or suspension list and found no matches.

Personal Care Aide Services

In order to submit a claim for reimbursement, all individuals providing personal aide services must obtain and maintain first aid certification from a class that is not solely internet-based and 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)

All of the personal care aides examined had valid first aid certification on the examined dates of service.

B. Service Documentation

The MCHHA must maintain documentation of home health services that includes, but not limited to, clinical and time keeping records indicating the date and time span of the service and the type of service provided. *See* Ohio Admin. Code § 5160-12-03(B)(9)

For personal care aide 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 § 5160-46-04(B)(8)

For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units.

Home Health Aide Services Sample

The 179 services examined contained the following errors:

- 4 services in which a single shift was billed as two separate shifts resulting in a higher payment;
- 3 services in which there was no documentation to support the payment; and
- 2 services in which the units billed exceeded the documented duration.

B. Service Documentation (Continued)

These nine errors are included in the improper payment of $290.83. There were also two instances in which the documentation did not indicate a description of the type of service provided. We identified the services as non-compliant; however, did not identify an improper payment for these two errors.

Personal Care Aide Services Sample

The 131 services examined contained three services in which the units billed exceeded the documented duration. These errors are included in the improper payment of $30.72.

Recommendation:

The Provider should 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

All home health providers are required by Ohio Admin. Code § 5160-12-03(B)(3)(b) to create a plan of care for recipients indicating the type of services to be provided to the recipient and the plan is required to be signed by the recipient's treating physician.

Home Health Aide Services Sample

The 179 services examined contained four services in which the plan of care was not signed by a physician and three services in which there was no plan of care to support the authorized services. These seven errors are included in the improper payment of $290.83.

Recommendation:

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

Official Response

The Provider declined to submit an official response to the results of the compliance examination.

OHIO AUDITOR OF STATE
KEITH FABER

FAMILY HEALTHCARE CENTER LLC

FRANKLIN 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 11/5/2020

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