SURVIVING OUR LOSSES (AND CONTINUING EVERYDAY), INC.
DBA ASCEND COUNSELING AND RECOVERY SERVICES
SCIOTO COUNTY

COMPLIANCE EXAMINATION REPORT

FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2018

OHIO AUDITOR OF STATE
KEITH FABER

SURVIVING OUR LOSSES (AND CONTINUING EVERYDAY), INC.
DBA ASCEND COUNSELING AND RECOVERY SERVICES
SCIOTO COUNTY

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OHIO AUDITOR OF STATE
KEITH FABER

Medicaid Contract Audit
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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: Surviving our Losses (and Continuing Everyday), Inc.
dba Ascend Counseling and Recovery Services
Ohio Medicaid Number: 0127424

We examined Surviving our Losses (and Continuing Everyday), Inc. (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of addiction services including individual counseling, group counseling, and case management services, as well as, service documentation and service authorization for lab analysis of specimens (lab) services during the period of July 1, 2016 through June 30, 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 Surviving our Losses (and Continuing Everyday), Inc. is responsible for its compliance with the specified requirements. The accompanying Compliance Examination Report identifies the specific requirements examined. Our responsibility is to express an opinion on the Provider's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Provider complied, in all material respects, with the specified requirements referenced above. 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. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. 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 Qualified Opinion

Our examination disclosed that the Provider had no physician, clinical nurse specialist or certified nurse practitioner order for any of the lab services examined (100 percent non-compliance). In addition, 28 percent of the group counseling, 16 percent of the case management and seven percent of individual counseling services did not meet all of the selected requirements for service documentation or service authorization.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Provider has complied, in all material respects, with the aforementioned requirements for the period of July 1, 2016 through June 30, 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 $107,022.45. This finding plus interest in the amount of $7,562.68 (calculated as of February 24, 2020) totaling $114,585.13 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 waste or 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 Provider, the ODM 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

February 24, 2020

[1] "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

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

The Provider is identified as an Ohio Department of Mental Health and Addiction Services licensed treatment program and received $3,260,678 in payment for 65,967 services under the provider number examined during the examination period. The Provider has a second active Medicaid number (0266391) and received reimbursement of $4,348 for services administered by the Ohio Department of Mental Health as a certified community mental health agency. The Provider does business as Ascend Counseling and Recovery Services and is identified as such on the Provider Agreement and has registered this fictitious name with the Ohio Secretary of State.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the Provider's Medicaid 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 group counseling, individual counseling, case management and lab services as specified below for which the Provider billed with dates of services from July 1, 2016 through June 30, 2018 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. From the total paid services population, we extracted 347 lab services (H0003) in which the recipient received no other services from the Provider. The Provider received $20,820 for these 347 lab only services. We selected 10 of these lab only services to examine (Lab Only Services Sample).

Using the original total paid services population, we identified 99 recipients that predominantly received lab only services and reviewed the claims for these 99 individuals. We found that these individuals received additional behavioral health services from other Medicaid providers. We removed the 99 recipients and their corresponding 322[2] services from the population.

From the remaining population, we extracted all group counseling (H0005 and 90853), individual counseling (H0004, 90832, 90834 and 90837), case management (H0006) and lab services (procedure code H0003). 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).

[2] For these 99 recipients, 316 of the 322 paid services were lab services.

Purpose, Scope, and Methodology (Continued)

We developed a two-stage sampling approach for group counseling, individual counseling and lab services. We extracted the recipients that received all the aforementioned services. From this subpopulation, we randomly selected 25 recipients. For each of the 25 recipients, we randomly selected five group counseling, individual counseling and lab services. If the Provider was paid for less than five services for a recipient, we selected all of the services to examine.

We also developed a two-stage sampling approach for case management services. From the population of case management services, we randomly selected 25 recipients. For each of the 25 recipients, we randomly selected five case management services. If the Provider was paid for less than five services for a recipient, we selected all of the services to examine. The calculated sample sizes are shown in **Table 1**.

Table 1: Sample Sizes

Universe	Population Size	Sample Size
Lab Only Services (H0003)	347	10
Group Counseling Services (H0005, 90853)	11,696	112
Individual Counseling Services (H0004, 90832, 90834, 90837)	8,310	117
Case Management Services (H0006)	8,132	99
Lab Services (H0003)	21,479	124
Total All Samples:	49,964	462

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, personnel related procedures and billing process. 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

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

Table 2: Results

Samples	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Lab Only Services (H0003)	10	10	19	$600.00
Group Counseling Services (H0005, 90853)	112	31	35	$1,048.44
Individual Counseling Services (H0004, 90832, 90834, 90837)	117	8	8	$414.58
Case Management Services (H0006)	99	16	16	$565.19
Lab Services (H0003)	124	124	140	$104,394.24
Total All Samples:	462	189	218	$107,022.45

Results (Continued)

Due to the 100 percent error in the lab services sample, we identified the full payment for lab services for the 25 sampled recipients for the examination period as an improper payment.

A. Provider Qualifications

Exclusion or Suspension List

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 identified 27 licensed practitioners and four case management specialists 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 the exclusion or suspension list.

We also compared identified administrative staff names to the exclusion or suspension list and found no matches.

Group Counseling and Individual Counseling Services

For the 27 licensed practitioners, we verified via the Ohio e-License Center website that their licenses were current and valid on the first date of service found in our selected services and were active during the remainder of the examination period.

We then compared each individual identified as rendering practitioner to the qualifications contained in Ohio Admin. Code §§ 5160-30-01 and 3793:2-1-08 for selected services with a date of service in 2016 and 2017 and to Admin. Code §§ 5160-8-05 and 5160-27-01 for 2018 dates of services.

All individuals met the required credentials.

B. Service Documentation

Documentation for individual counseling, group counseling and case management services in 2016 and 2017 shall include, but is not limited to, the date, time of day and duration of the service contact, the description of the service, and the signature and credentials of staff providing the service. *See* Ohio Admin. Code §§ 5160-27-02 and 5122-27-04(E)

Documentation for 2018 services require all the above elements, with the exception of the original signatures and credentials of staff providing the service. *See* Ohio Admin. Code § 5160-8-05(F)

Additionally, documentation for lab services require that a copy of the results of the lab testing be maintained. *See* Ohio Admin. Code §§ 5160-30-02(A)(5) and 3793-2-1-08(R)(1)

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

Lab Only Services Sample

There was no documentation to support the payment for nine of the 10 services examined. These nine errors are included in the improper payment of $600.00. The last lab only services paid by Medicaid had date of service of December 22, 2017.

B. Service Documentation (Continued)

Group Counseling Services Sample

The 112 services examined contained the following errors:

- 11 services in which there was no documentation to support the payment;
- 10 services in which the units billed exceeded the documented duration;
- 1 service in which the duration was not documented; and
- 1 service in which the documented lacked the signature of the rendering practitioner.

These 23 errors are included in the improper payment of $1,048.44. In addition, the documentation for one service did not include the time of day and for seven services it did not include the credentials of the rendering practitioner. We did not identify an overpayment for these eight errors.

Individual Counseling Services Sample

The 117 services examined contained the following errors:

- 4 services in which the units billed exceeded the documented duration;
- 1 service in which there was no documentation to support the payment; and
- 1 service in which the documentation did not include a description of the service.

These six errors are included in the improper payment of $414.58.

Case Management Services Sample

The 99 services examined contained 11 services in which there was no documentation to support the payment and four services in which the units billed exceeded the documented duration. These 15 errors are included in the improper payment of $565.19.

Lab Services Sample

The 124 services examined contained 16 services in which there was no documentation to support the payment. These errors are included in the improper payment of $104,394.24.

Recommendation:

The Provider should review its quality review process to develop and implement procedures to ensure that all documentation fully complies with the requirements contained in Ohio Medicaid rules. In addition, the Provider should implement a quality review process to ensure that documentation is present, 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.

We also noted instances in which the service documentation did not include the credentials of the rendering practitioner; however, we obtained the credentials from other documentation. The Provider should ensure service documentation contains all required elements, including the credential of the rendering practitioner.

C. Authorization to Provide Services

In 2016 and 2017, group counseling, individual counseling and case management services required that within seven days of completion of the assessment or at the time of the first face-to-face contact following the assessment, providers shall develop an individual treatment plan based on the assessment for clients receiving specific drug and alcohol prevention and treatment services.

C. Authorization to Provide Services (Continued)

The treatment plan shall contain the frequency, duration and type of treatment services, the signature of the staff member that developed the plan, and the original signature of the recipient. *See* Ohio Admin. Code §§ 5160-27-02 and 5122-27-03

Effective January 1, 2018, the requirements stated a treatment plan must be completed within five sessions or one month of admission, whichever is longer, and must specify mutually agreed treatment goals and track responses to treatment. The 2018 rule does not require frequency, duration and type of treatment services be present on the plan. *See* Ohio Admin. Code § 5160-8-05(F)

Additionally, lab services require a standing physician, clinical nurse specialist or certified nurse practitioner order for each client needing this service. *See* Ohio Admin. Code § 5160-30-02(A)(5)

Lab Only Services Sample

For all 10 services examined, there was no standing order authorizing the client to receive lab services. These 10 errors are included in the improper payment of $600.00.

Group Counseling Services Sample

The 112 services examined contained the following errors:

- 2 services in which the treatment plan did not authorize the service;
- 1 service in which there was no treatment plan to cover the date of service; and
- 1 service in which the treatment plan was not signed by any staff member.

These four errors are included in the improper payment of $1,048.44.

Individual Counseling Services Sample

The 117 services examined contained two instances for which there was no treatment plan to cover the date of service. These two errors are included in the improper payment of $414.58.

Case Management Services Sample

The 99 services examined contained one service in which the treatment plan was not signed by any staff member. This error is included in the improper payment of $565.19.

Lab Services Sample

For all 124 services examined, there was no standing order authorizing the client to receive lab services. The Provider confirmed that it could not provide standing orders for lab services during the examination period. The last lab services paid by Medicaid had date of service of December 27, 2017. Due to the 100 percent error, we identified the total amount paid ($104,394.24) for the population of the 25 sampled recipients from which the sample was drawn as an improper payment.

The Provider did have orders for lab services dated April 9, 2018, but there were no paid lab services with dates of service after these orders were issued.

C. Authorization to Provide Services (Continued)

Recommendation:

The Provider should develop and implement controls to ensure that all individual treatment plans and physician orders are completed prior to services being rendered and are include all the required elements. In addition, the Provider should ensure that services rendered are consistent with the approved individual treatment plans and should not bill Ohio Medicaid for services not authorized. The Provider should address these issues to ensure compliance with Medicaid rules and avoid future finding.

Official Response

The Provider submitted an official response to the results of this examination which is presented in the **Appendix**. The Provider described corrective actions that have been initiated, but it is beyond the scope of our examination to verify those statements and, accordingly, we express no opinion on the response.

Auditor of State Conclusion

We reviewed the official response and determined that no changes to the results reported were warranted.

ASCEND
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March 4, 2020

Via electronic mail: ContactMCA@ohioauditor.gov
adgrubb@ohioauditor.gov

Ohio Auditor of State:

After reviewing the draft form of the Compliance Examination Report provided by you, and after meeting with you for an Exit Conference, we have determined that there is no further clinical, or other, documentation to submit to you for consideration. Having said that, there are factors I request be taken into consideration regarding the condition of this organization during the time frame of July 1, 2016 through June 30, 2018. When my tenure as Executive Director began on June 30, 2017, it was apparent in short order that the organization had been in a state of instability and turmoil for quite some time, perhaps since it began offering outpatient services in 2015. Some of the issues I immediately identified were:

1. Lack of leadership and direction from Administrative and Managerial staff.
2. Absence of appropriate and commonly recognized necessary education, experience, and credentialing of Administrative, Managerial, and Clinical staff.
3. Absence of oversight of Administrative, Managerial, and Clinical duties and responsibilities.
4. Lack of adequate and appropriate Clinical Supervision of Clinical staff.
5. Questionable ethical and professional practices by staff in general (i.e. significant existing conflicts of interest within administrative staff, clinical staff, and board members).
6. Lack of training for all staff, especially clinical staff.
7. Policies and procedures, and Corporate By-Laws, that were outdated and not applicable.

The above highlights a handful of the most pressing issues that were present upon my arrival. Therefore, it is not entirely surprising that the Ohio Auditor of State identified areas of non-compliance during the audited time frame. While it is difficult for me to speak to the exact circumstances leading to ANY non-compliance, I am certain the above stated issues contributed greatly. However, after reviewing the Auditor of State's summaries, I can say with a reasonable amount of certainty that the majority of examples of non-compliance for Case Management, Group Counseling, and Individual Counseling services could be attributed to a few specific providers. It is worth noting, that ALL of these identified providers chose to leave our employ rather than be appropriately and adequately trained to provide said services, and thus be held accountable for the provision and documentation of quality services.

Regarding the extensive findings of non-compliance regarding laboratory services, I have found it nearly impossible to identify the exact nature, or reason, for this. Around January of 2017, I do know the organization physically made a move from a previous location to the current location, as well as began

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using an EMR (BestNotes). And solely based upon the level of incompetence demonstrated by previous Management and Leadership, it is possible, or even likely, that the standing orders and lab results in question were lost in transit, misplaced, accidently destroyed, etc. I can say that when I attempted to reach Independent Laboratory Services, the provider under contract to provide presumptive and confirmatory results during the audited time frame, I learned that they were no longer in business, and attempts to reach a representative of their organization were unfruitful, until after your audit of our organization was nearly complete. However, I did learn that Independent Lab Services, during its normal course of business, did maintain and make readily, and immediately, available all results and standing orders for lab services provided by them. Yet, once Independent Lab Services went out of business, the providers of services (such as ourselves) with which they contracted no longer had any access to lab results, standing orders, or any other pertinent information. It is also important to note that Independent Lab Services did not give any notice whatsoever that they were no longer going to be in business, which offered no opportunity for our organization to download, or print a hardcopy, of all results, standing orders, etc. to maintain for our records.

In closing, it is my hope that it will be taken into consideration the condition of ASCEND today versus several years ago. All of the aforementioned identified issues have been resolved. Currently, all Administrative, Managerial, and Leadership positions are occupied by competent, educated, and experienced professionals; there is a Conflict of Interest Policy in place that is followed to the letter; Clinical and Administrative supervision are the norm, rather than the exception; all Clinical Staff are trained, credentialed, supervised, and encouraged to continue their education; all Policies and Procedures and Corporate By-Laws are reviewed and amended annually; and we have an active and qualified Board of Directors that is free of Conflicts of Interest. Other points to highlight are: ASCEND's outpatient services recently achieved Three-Year Accreditation from CARF; ASCEND is an approved NHSC site; ASCEND is an approved and contracted provider with our local ADAMHS Board; ASCEND is an active and integral member of the Scioto County Collaborative Opioid Consortium; and, ASCEND is an active participant of the HEALing Communities Study.

Thank you for your time and consideration.

Michael Fraulini

Michael Fraulini, Executive Director

OHIO AUDITOR OF STATE
KEITH FABER

SURVIVING OUR LOSSES INC.

SCIOTO 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
MARCH 24, 2020

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