THE VILLAGE NETWORK
WAYNE COUNTY

COMPLIANCE EXAMINATION REPORT

FOR THE PERIOD JANUARY 1, 2018 THROUGH JUNE 30, 2018

OHIO AUDITOR OF STATE
KEITH FABER

THE VILLAGE NETWORK
WAYNE COUNTY

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OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT MENTAL HEALTH SERVICES

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

RE: The Village Network
Ohio Medicaid Number: 2847147 and NPI: 1124057914

We examined The Village Network (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of the following mental health services: therapeutic behavioral services (15 minute unit and per diem) and community psychiatric support services during the period of January 1, 2018 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 payments made by Ohio Medicaid. Management of The Village Network 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.

Opinion on Compliance

In our opinion, the Provider complied, in all material respects, with the aforementioned requirements for therapeutic behavioral services (15 minute unit and per diem) and community psychiatric support services for the period of January 1, 2018 through June 30, 2018.

Our testing was limited to the specified Medicaid requirements and services 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 $245.28. This finding plus interest in the amount of $13.28 totaling $258.56 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

This report is intended solely for the information and use of 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

October 22, 2020

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)

During the examination period, the Provider received total payments from the Ohio Medicaid Program of $7,232,229 billed under two provider numbers.

Mental Health Services

Under the number 2847147, the Provider is identified as an Ohio Department of Mental Health provider and received $7,213,503 in payments for 84,609 services during the examination period for services to 3,585 unique recipients.

Addiction Services

Under the number 0117036, the Provider is identified as an Ohio Department of Mental Health and Addiction Services licensed treatment program and received $18,726 in payments for 335 services during the examination period. We did not examine any services associated with this Medicaid number.

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 therapeutic behavioral services (15 minute unit and per diem) and community psychiatric support services as specified below for which the Provider billed with dates of service from January 1, 2018 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 removed all claims paid at zero, claims with co-payments and claims with third party payments. During planning, we noted instances in which other Medicaid providers were reimbursed by Ohio Medicaid for the same behavioral health service for the same recipient on the same date.

In order to test a selection of these services (Potential Duplicate Services Exception Test), we extracted the services rendered on the date of service with the most services, copied the recipient identification numbers from that service date and searched the claims history for services rendered by any other Ohio Department of Mental Health providers for these recipients. We removed all claims paid at zero, claims with co-payments and claims with third party payments. From this population, we determined the provider with the most potential duplicates and extracted those potential duplicates to test in their entirety.

Purpose, Scope, and Methodology (Continued)

From the remaining population we extracted all therapeutic behavioral services, 15 minute unit (code H2019); therapeutic behavioral services, per diem (code H2020) and community psychiatric support services (code H0036) into separate files. We summarized the therapeutic behavioral services, 15 minute unit and community psychiatric support services files by recipient date of service (RDOS). A 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). We developed a simple random sample for each of the three samples. The calculated sample sizes are shown in **Table 1**.

Table 1: Sample Sizes

Universe	Population Size	Sample Size	Services Selected
Exception Test:			
Potential Duplicate Services (H2019 and H0036)	33		33
Samples:			
Therapeutic Behavioral Services, 15 minute unit (H2019)	7,926 RDOS	58 RDOS	58
Therapeutic Behavioral Services, per diem (H2020)	21,102	61	61
Community Psychiatric Support Services, (H0036)	13,995 RDOS	61 RDOS	65
Total			**217**

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. 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

The summary results of the compliance examination are shown in **Table 2.** The noncompliance and basis for the findings is discussed below in more detail.

Table 2: Results

	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Potential Duplicate Services	33	0	1	$0.00
Therapeutic Behavioral Services, 15 minute unit (H2019)	58	4	4	$210.12
Therapeutic Behavioral Services, per diem (H2020)	61	2	3	$12.50
Community Psychiatric Support Services (H0036)	65	1	1	$22.66
Total All Samples	**217**	**7**	**9**	**$245.28**

Results (Continued)

The improper payment for the sample of Therapeutic Behavioral Services, per diem (H2020) was $124.91; however, prior to the release of this report the Provider voided the one claim related to the service rendered by an unqualified practitioner.

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 60 licensed practitioners and 45 unlicensed practitioners 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.

For the 60 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 a licensed rendering practitioner to the qualifications contained in Ohio Admin. Code §§ 5160-8-05 and 5160-27-01.

All of the licensed individuals met the required qualifications for the services rendered.

For the 45 unlicensed practitioners, we obtained documentation from the Provider to determine the applicable unlicensed practitioner designation based on education/experience levels. We then compared each individual identified as an unlicensed practitioner to the qualifications contained in Admin. Code § 5160-27-01(6).

We found errors related to provider qualification only in the therapeutic behavior services sample.

Therapeutic Behavioral Services, Per Diem Sample

Of the 61 services tested, we found one service rendered by an unlicensed practitioner that did not meet the requirements to render therapeutic behavioral services.

In response to being made aware of this error, the Provider voided the claim related to the service in error.

In addition, the Provider indicated it reviewed all qualified mental health specialists that rendered services during our examination period and identified additional staff that did not meet the requirements to render services. The Provider reported that it had reimbursed ODM for these additional errors; however, we did not verify the accuracy of these additional errors and related reimbursement.

A. Provider Qualifications (Cont.)

Recommendation:

The Provider should take steps to ensure only persons who meet applicable requirements render services. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

Documentation requirements include the date, time of day and duration of the service contact and a description of the service. *See* Ohio Admin. Code § 5160-8-05(F)

Per the ODM Provider Requirements and Reimbursement Manual, effective for dates of service beginning January 1, 2018, practitioner modifiers are required when submitting claims to Ohio Medicaid as they are used to count towards soft limits, price services and adjudicate claims appropriately. For errors where the incorrect modifier was billed, the improper payment was based on the difference between the amount that was reimbursed and the amount that should have been reimbursed.

Potential Duplicate Services Exception Test

We obtained service documentation from a second provider who received Ohio Medicaid reimbursement for the same recipient on the same date for the same service code. Of the 33 services tested, we found one service in which the Provider had documentation for a service indicating a time of service from 11:00 am – 11:30 am with the recipient present while the second provider also had documentation for the same service on the same date from 10:15 am – 11:45 am with the recipient present.

We also noted that both agencies were providing community psychiatric supportive treatment (CPST). Per Ohio Admin. Code § 5122-29-17, there should be one CPST staff who is clearly responsible for case coordination. Having two agencies rendering the same service with no indication of any awareness or any coordination of activities could lead to over utilization of services which is an additional cost to the Medicaid program and could contribute to uncoordinated care that negatively impacts the recipient.

We did not identify an improper payment related to the results of this exception test and referred this matter to ODM for further investigation.

Therapeutic Behavioral Services, 15 Minute Unit Sample

The 58 services examined contained one service that was billed with an incorrect modifier resulting in an increased payment amount. This error is included in the improper payment amount of $210.12.

Therapeutic Behavioral Services, Per Diem Sample

The 61 services examined contained one service that was billed with an incorrect modifier resulting in an increased payment amount. This error is included in the improper payment amount of $12.50.

We also noted one service that was billed with an incorrect modifier; however, that error did not result in an increased payment amount.

Community Psychiatric Support Services, 15 Minute Unit Sample

The 65 services examined contained one service in which the documentation did not support the number of units billed. This one error resulted in the improper payment amount of $22.66.

B. Service Documentation (Cont.)

Recommendation:

The Provider should implement a review process to ensure that modifiers are accurately billed. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

C. Authorization to Provide Services

A treatment plan must be completed within five sessions or a month of admissions, whichever is longer, and must specify mutually agreed treatment goals and track responses to treatment. *See* Ohio Admin. Code § 5160-8-05(F)

Therapeutic Behavioral Services, 15 Minute Unit Sample

The 58 services examined contained one service in which there was no treatment plan and two services in which the treatment plan did not authorize the service. These three errors are included in the improper payment amount of $210.12

Therapeutic Behavioral Services, Per Diem Sample

All of the 61 services examined were authorized by a signed treatment plan.

Community Psychiatric Support Services, 15 Minute Unit Sample

All of the 65 services examined were authorized by a signed treatment plan.

Recommendation:

The Provider should ensure that all individual treatment plans are completed prior to services being rendered. 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 findings.

Official Response

The Provider submitted an official response to the results of this examination which is presented in the **Appendix**. We did not examine the Provider's response and, accordingly, we express no opinion on it.

the village network

The Village Network Response to "Independent Auditor's Report on Compliance with the Requirements of the Medicaid Program"

General Response:
The Village Network has implemented the actions as outlined below to address issues identified during the audit.

A. Provider Qualifications
Auditor Recommendation: The Provider should take steps to ensure only persons who meet applicable requirements render services. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

TVN Response: TVN has implemented an error check within our EHR that will not allow QMHS-HS service documentation to be processed or bundled as claims for Therapeutic Behavioral Services.

B. Service Documentation
Auditor Recommendation: The Provider should implement a review process to ensure that modifiers are accurately billed. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

TVN Response: TVN is implementing a random sample review following the process utilized by the Auditors. This process will occur regularly to help identify staff errors that can be corrected and identify training opportunities.

C. Authorization to Provide Services
Auditor Recommendation: The provider should ensure that all individual treatment plans are completed prior to services being rendered. In addition, the Provider should ensure that all services rendered are consistent with the approved individual treatment plans and should not bill Ohio Medicaid for services not authorized. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

TVN Response: TVN is implementing a random sample review following the process utilized by the Auditors. This process will occur regularly to help identify staff errors that can be corrected and identify training opportunities.

Todd Gordon CAO - 10/22/2020

Submitted by,
Todd Gordon CAO
The Village Network

OHIO AUDITOR OF STATE
KEITH FABER

THE VILLAGE NETWORK

WAYNE 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 11/10/2020

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