



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 SERVICES

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

RE: Quality of Life Home Care, Ltd.
Ohio Medicaid Number: 2501457

National Provider Identifier: 1891905444

We were engaged to examine compliance with specified Medicaid requirements for select payments for home health and waiver services during the period of January 1, 2020 through December 31, 2022 for Quality of Life Home Care, Ltd. (Quality of Life). We tested the following payments:

- All instances in which a service was billed during a potential inpatient hospital stay;
- All services for recipients at the same address on the same recipient date of service (RDOS)¹;
- A sample of state plan registered nursing (RN) services;
- A sample of state plan licensed practical nursing (LPN) services; and
- A sample of personal care aide services.

Quality of Life entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Ohio Revised Code, Ohio Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Quality of Life is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined.

Internal Control over Compliance

Quality of Life 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 Quality of Life's internal control over compliance.

Basis for Disclaimer of Opinion

We identified 141 inconsistencies in the documented time in and time out on service documentation and the time of the practitioner and recipient signatures. It appeared as though the EHR system automatically affixed the time for recipient and practitioner signatures as central standard time and the practitioner manually entered the time in and time out of the visit in eastern standard time. We converted the signature times to eastern standard time to compare them to the visit times and they did not correspond; the converted signature time was hours before or after the visit time. We also noted two documents in which the nurse signature was dated January 1, 1950.

¹ An RDOS is defined as all services for a given recipient on a specific date of service.

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In addition, we identified 12 instances in which a recipient was confirmed to be a hospital inpatient but, Quality of Life had documentation to support that a service was rendered during the hospitalization. Furthermore, none of the personal care aides were first aid certified resulting in services to be rendered by an ineligible practitioner.

Due to these inconsistencies, we were unable to gain assurance on the reliability of the service documentation.

Disclaimer of Opinion

Our responsibility is to express an opinion on Quality of Life's compliance with select Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). 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 Quality of Life's compliance with the specified Medicaid requirements for the period of January 1, 2020 through December 31, 2022.

We identified improper Medicaid payments in the amount of \$8,208.61. This finding plus interest in the amount of \$1,362.85 (calculated as of March 17, 2025) totaling \$9,571.46 is due and payable to the Department upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process in accordance with Ohio Admin. Code 5160-1-27. If waste and abuse are suspected or apparent, the Department and/or the Office of the Attorney General will take action to gain compliance and recoup inappropriate or excess payments² (Ohio Admin. Code 5160-1-29(B)).

We are required to be independent of Quality of Life and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination. This report is intended solely for the information and use of the Department, 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

April 9, 2025

² "Waste" means any preventable act such as inappropriate utilization of services or misuse of resources that results in unnecessary expenditures to the Medicaid program. "Abuse" means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. See Ohio Admin. Code 5160-1-29(A) and 42 C.F.R. § 455.2.

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COMPLIANCE SECTION

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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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. Per Ohio Admin. Code 5160-1-17.2(D) and (E) providers must furnish such records for audit and review purposes.

Quality of Life is a Medicare Certified Home Health Agency (type 60) and received payment of \$10.3 million under the provider number examined for 197,661 services³.

Table 1 contains the procedure codes included in this compliance examination.

Table 1: Home Health and Waiver Services	
Procedure Code	Description
G0151	Physical Therapy, 15 minutes
G0156	State Plan Home Health Aide, 15 minutes
G0299	State Plan Home Health Nursing - Registered Nurse (RN), 15 minutes
G0300	State Plan Home Health Nursing – Licensed Practical Nurse (LPN), 15 minutes
PT570	Homemaker services, 15 minutes
T1019	Waiver Personal Care Aide, 15 minutes

Source: Appendix to Ohio Admin. Code 5160-46-06, 5160-12-05, 5160-1-06.1, 5123-9-30 and 5123-9-32

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Quality of Life'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 of the engagement was limited to select services as specified below, for which Quality of Life billed with dates of service from January 1, 2020 through December 31, 2022 and received payment.

We obtained Quality of Life's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all services paid at zero, co-payments, third-party payments, Medicare crossover claims and managed care encounters. The scope of our examination included testing procedures related to select services as identified in the Independent Auditor's Report.

The exception tests and calculated sample sizes are shown in **Table 2**.

³ Payment data from the Medicaid claims database.

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Table 2: Exception Tests and Samples			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
Services During Potential Inpatient Hospital Stay ¹	48		48
Services for Recipients at the Same Address on the Same RDOS (procedure codes G0299 and T1019)	16		16
Samples			
State Plan RN Services (procedure code G0299)	31,913 RDOS	60	67
State Plan LPN Services (procedure code G0300)	43,834 RDOS	60	97
Personal Care Aide Services (procedure code T1019)	19,597 RDOS	60	66
Total			294

¹ Includes procedure codes G0151, G0156, G0299 and G0300

A notification letter was sent to Quality of Life setting forth the purpose and scope of the examination. During the entrance conference, Quality of Life described its documentation practices and billing process. During fieldwork, we reviewed service authorization, service documentation and provider qualifications. We sent preliminary results to Quality of Life and it did not submit additional documentation.

Results

The summary results are shown in **Table 3**. While certain services had more than one error, only one finding was made per service. The non-compliance and basis for findings is discussed below in further detail.

Table 3: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
Services During Potential Inpatient Hospital Stay	48	17	22	\$1,085.73
Services for Recipients at the Same Address on the Same RDOS	16	9	10	\$685.11
Samples				
State Plan RN Services	67	4	5	\$195.38
State Plan LPN Services	97	24	43	\$975.60
Personal Care Aide Services	66	66	67	\$5,266.79
Total	294	120	147	\$8,208.61

A. Provider Qualifications

Exclusion or Suspension List

Per Ohio Admin. Code 5160-1-17.2(H), in signing the Medicaid provider agreement, a 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.

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A. Provider Qualifications (Continued)

We identified 57 practitioners in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We found no matches. We also compared identified administrative staff to the same database and exclusion/suspension lists and found no matches.

Nursing Services

According to Ohio Admin. Code 5160-12-01(G)(1), home health nursing services are performed by either a RN or a LPN at the direction of a RN. Based on the e-License Ohio Professional Licensure System, the licenses for the 24 nurses identified in our testing were current and valid on the first date of service in our selected payments and were valid during the remainder of the examination period.

Personal Care Aide Services

Per Ohio Admin. Code 5160-46-04(A)(7)(a)(ii), a MCHHA shall ensure that personal care aides obtain and maintain first aid certification prior to commencing service delivery. We requested proof of first aid certification for the 33 aides who rendered personal care aide services in our testing. Quality of Life stated it was unaware of the first aid requirement and accordingly had no certifications.

Personal Care Aide Services Sample

The 66 services examined included 61 services with documentation and none of them were rendered by an eligible aide.

These 61 errors are included in the improper payment amount of \$5,266.79.

Recommendation

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

B. Service Documentation

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

Requirements for waiver homemaker and personal care services indicate 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 signatures of the provider verifying the service delivery upon completion of service delivery in accordance with Ohio Admin. Code 5160-31-05(B), 173-39-02.11(C)(6)(b), 5160-46-04(A), 5160-40-01(F), 5160-42-01(K), 5123-9-32(E), and 5123-9-30(E).

We obtained documentation from Quality of Life and compared it to the required elements. We also compared units billed to the documented duration.

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B. Service Documentation (Continued)

Services During Potential Inpatient Hospital Stay Exception Test

The 48 payments examined consisted of 18 recipients in which the reported date of service occurred during a potential inpatient hospital stay. We requested verification from the rendering hospital to confirm dates of admission and discharge. One of the rendering hospitals did not respond to our request for confirmation; therefore, we were unable to determine whether the 34 associated services were billed during a hospital stay. The remaining 14 payments examined contained 12 instances in which the hospital confirmed that the recipient was an inpatient on the billed date of service and Quality of Life submitted service documentation including the time in and time out and documentation of the services rendered. In addition, there were seven instances in which the documentation did not contain a description of the services rendered and three instances in which there was no documentation to support the payment.

These 22 errors resulted in the improper payment amount of \$1,085.73.

Services for Recipients at the Same Address on the Same RDOS Exception Test

The 16 payments examined contained six instances in which the service time for one service overlapped another service by the same practitioner and four instances in which there was no documentation to support the payment.

These 10 errors resulted in the improper payment amount of \$685.11.

State Plan RN Services Sample

The 67 services examined contained the one instance in which there was no service documentation to support the reimbursement.

This one error is included in the improper payment amount of \$195.38.

State Plan LPN Services Sample

The 97 services examined contained 21 instances in which there was no service documentation to support the payment.

These 21 errors are included in the improper payment amount of \$975.60.

Personal Care Aide Services Sample

The 66 services examined contained the five instances in which there was no service documentation to support the payment and one instance in which the service documentation did not contain a description of the services rendered.

These six errors are included in the improper payment amount of \$5,266.79.

Recommendation

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

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C. Authorization to Provide Services

All home health providers are required in part by Ohio Admin. Code 5160-12-03(B)(3)(b)⁴ 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.

We obtained plans of care from Quality of Life and determined if there was a plan of care that covered the selected date of service, authorized the type of service and was signed by a physician.

State Plan RN Services Sample

The 67 services examined contained three instances in which there was no plan of care to support the service and one instance in which the plan of care did not authorize the service rendered.

These four errors are included in the improper payment amount of \$195.38.

State Plan LPN Services Sample

The 97 services examined contained 21 instances in which there was no plan of care to support the service and one instance in which the plan of care did not authorize the service rendered.

These 22 errors are included in the improper payment amount of \$975.60.

We limited our testing of service authorization to the aforementioned samples.

Recommendation

Quality of Life should establish a system to ensure that signed plans of care authorizing the service are obtained prior to submitting claims for services to the Department. Quality of Life should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

Quality of Life declined to submit an official response to the results noted above.

⁴ This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

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QUALITY OF LIFE HOME CARE, LTD.

WASHINGTON 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 4/22/2025

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