



Dave Yost • Auditor of State

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**DAVID W. DELONG, PH.D.
MAHONING COUNTY**

TABLE OF CONTENTS

| Title | Page |
|---|-------------|
| Independent Accountants' Report..... | 1 |
| Compliance Report | 3 |
| Appendix I: Summary of Sample Record Analysis | 6 |

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Independent Accountant's Report

David W. DeLong, Ph.D.
255 Cordelia Street SW
North Canton, Ohio 44720

RE: Medicaid Provider Number 2701231

Dear Dr. DeLong:

We examined David DeLong, Ph.D. (the Provider) for compliance with Ohio Administrative Code (Ohio Admin. Code) §§ 5101:3-8-05 and 5101:3-4-29 during the period of January 1, 2008 to December 31, 2010. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Dr. DeLong is responsible for his compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 278 psychological services and identified 326 errors relating to non-compliance with those requirements. We found the Provider was overpaid by Ohio Medicaid for services rendered between January 1, 2008 and December 31, 2010 in the amount of \$82,746.98. This finding plus interest in the amount of \$8,777.98 totaling \$91,524.96, is immediately due and payable to the Ohio Department of Job and Family Services (ODJFS). After September 20, 2012, additional interest will accrue at the rate of \$18.14 per day until the finding and interest is paid in full.

When the AOS identifies fraud, waste or abuse by a provider in an examination,¹ "any payment amount in excess of that legitimately due to the provider will be recouped by ODJFS through its office of fiscal and monitoring services, the state auditor, or the office of the attorney general." Ohio Admin. Code § 5101:3-1-29(B). Therefore, a copy of this report will be forwarded to ODJFS because it is the state agency charged with administering Ohio's Medicaid program. ODJFS is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting ODJFS' Office of Legal Services at (614) 752-3631.

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 constitute an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5101:3-1-29(A).

David W. DeLong, Ph.D.
Independent Accountant's Report on
Medicaid Provider Compliance
Page 2

Copies of this report are also being sent to the Medicaid Fraud Control Unit of the Ohio Attorney General's Office; the U.S. Department of Health and Human Services/Office of Inspector General; the State Board of Psychology of Ohio and the Counselor, Social Worker and Marriage & Family Therapist Board. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

Sincerely,

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

September 20, 2012

Compliance Report for David W. DeLong, Ph.D.

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. In Ohio, the Medicaid program is administered by ODJFS.

Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. 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 diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. See Ohio Admin. Code § 5101:3-1-01(A).

The Auditor of State performs examinations to assess provider compliance with reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care, and medical necessity. According to Ohio Admin. Code § 5101:3-1-17.2(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 or until any audit initiated within the six year period is completed.

The Provider's Ohio Medicaid Provider number is 2701231 and the Provider is a licensed psychologist currently located in Stark County, Ohio. During the review period, Dr. DeLong provided psychological services to Ohio Medicaid recipients as an independent contractor for Solutions Counseling Center, LLC. (the Center) located in Mahoning County, Ohio. The Provider was an independent contractor of the Center from September 2005 to April 2011. The agreement between the Provider and the Center allowed the Provider to render psychological services to patients and the Center would submit claims for services to Ohio Medicaid for payment. The agreement further outlined that the Provider would receive 60 percent of payments for those services rendered directly by the Provider. Ohio Medicaid reimbursed 1,021 services for a total of \$82,824.39 billed under the Provider's Medicaid Number during the examination period.

Some Ohio Medicaid recipients may be eligible to receive psychology services provided by a licensed psychologist. Qualifying psychological services must be medically necessary for the diagnosis and treatment of an illness or injury to be a covered Medicaid service. See Ohio Admin. Code § 5101:3-8-05(B) Psychological services include psychological and neuropsychological testing, diagnostic interview evaluations, and therapeutic services. See Ohio Admin. Code § 5101:3-8-05(C), (D), and (E) According to Ohio Admin. Code § 5101:3-8-05(I), the consumer's medical record, at a minimum, must include the following:

- Date the service was provided;
- Type of service performed;
- Amount of face-to-face time spent with consumer; and
- Signature of the professional providing the service.

Purpose, Scope, and Methodology

The purpose of this examination was to review Medicaid reimbursements made to the Provider for services rendered during January 1, 2008 through December 31, 2010 and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. At the conclusion of the examination, we will identify, if appropriate, any findings resulting from non-compliance.

The scope of the engagement was limited to an examination of psychological services for which the Provider rendered services to Medicaid patients and received payment during the period of January 1, 2008 to December 31, 2010. We received the Provider's paid claims history from ODJFS' Medicaid Management Information System (MMIS) database of services billed to and paid by Ohio's Medicaid program. We selected a statistical random sample to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5101:3-1-27 (B)(1).

Prior to beginning our fieldwork, we performed an exception test on the Provider's Medicaid payments to determine if any potentially inappropriate reimbursements occurred. The exception test identified 20 diagnostic interview evaluation services that exceeded the maximum 12-month limit. See Ohio Admin. Code § 5101:3-8-05(H)(3). Those 20 services were removed from the population.

An engagement letter was sent to the Provider at Solutions Counseling Center on July 25, 2012, setting forth the purpose and scope of the examination. At this time, we became aware that Dr. DeLong was no longer affiliated with the Center. We subsequently sent a copy of the engagement letter to Dr. DeLong on August 6, 2012. The scope of this examination was limited to review of paid claims which listed the Medicaid Number 2701231 as the identifier for the provider of service. The Center maintains the client records which contain the service documentation. Our fieldwork was performed between August and September, 2012. After conducting our review of records on-site at the Center, we compiled a list of recipients for which no supporting documentation was found in the client records. This list was sent to Dr. DeLong and to the Center. Dr. DeLong responded in writing that he provided no services to any of the recipients on this list.

Results

We reviewed 278 services and identified 326 errors. The reimbursements for those services with errors were disallowed. We used the errors to calculate a projected finding of \$81,201.62 across the entire population of services billed to Ohio Medicaid. Additionally, we identified findings of \$1,545.36 from our exception test. While certain services had more than one error, only one finding was made per service. The basis for our total findings of \$82,746.98 is discussed below in detail.

Statistical Sampling

A statistical sample of 278 psychological services was selected and examined to ensure that there was substantive documentation to support the service rendered. The examination of services found that the Center submitted claims for 264 services under Dr. DeLong's provider number although he did not provide the service. Medicaid regulations specify that services must be billed under the individual psychologist's provider number only when the services are provided by an independently practicing psychologist. See Ohio Admin. Code § 5101:3-8-05(B)(1) In addition, each claim was submitted with a modifier code of "AH" which signifies that the service was personally provided by a licensed psychologist.

Our examination found that seven of the services reviewed were provided by Loretta Phillips, Licensed Professional Clinical Counselor, who is the owner of Solutions Counseling Center. In the majority of instances the provider of the service could not be identified as the signature was

illegible and the Center could not provide a list of its employees during the review period. In addition to billing services not rendered by the Provider, our examination of the documentation found that of the 14 services rendered by the Provider, 13 did not have face-to-face time spent with the consumer on testing or therapy documented. See Ohio Admin. Code § 5101:3-8-05(I)(3). The following errors were noted in the documentation of services not rendered by the Provider:

- 35 services where the activity documented did not match the service billed;
- 31 services with no supporting service documentation (these were later verified as not receiving services from the Provider); and
- 14 services where the service documentation did not support time billed.

Those services not rendered by the Provider were disallowed. In addition, the 13 services delivered by the Provider that did not document face to face time were disallowed. The total amount disallowed is \$22,558.57 which was used in the amount of the overall finding projection.

Exception Tests

A review of diagnostic interview evaluations was examined to ensure that the Provider did not exceed the limit of one per consumer per 12-month period. See Ohio Admin. Code § 5101:3-8-05(H)(3) The Provider billed and received payment for 64 diagnostic interview evaluations. The examination identified 20 of the 64 services were rendered in excess of the number allowed.

Those 20 services were disallowed, totaling \$1,545.26. The services were removed from the population prior to selecting a statistical sample.

Summary of Statistical Sample Results

The overpayments identified for 277 of 278 services from our random sample were projected across the Provider's paid population. This resulted in a projected overpayment amount of \$81,227.00 with a precision of plus or minus \$518.00 (0.64 percent) at the 95 percent confidence level. This point estimate was adjusted downward by \$25.38 to allow for population services reviewed that were deemed correctly paid. A detailed summary of our statistical sample and projection results is presented in **Appendix I**.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on October 11 2012, and the Provider was afforded an opportunity to respond to this examination report.

In responding to the report, the Provider states that he disagrees with assertions that he did not comply with Medicaid rules because he did not provide most of the services in question and he never authorized the Center to use his provider number to bill for services rendered by anyone other than himself. In addition, the Provider indicated he did not supervise the provision of services rendered by other individuals.

AOS Response: The Provider's Medicaid Provider Agreement dated December 12, 2006 indicates all payments and correspondence should be sent to the Center. The Provider did not monitor the use of his provider number and he did not notify ODJFS that he had ended his affiliation with the Center until this examination was conducted.

APPENDIX I

**Summary of Sample Record Analysis for David W. DeLong, Ph.D.
 For the period January 1, 2008 through December 31, 2010**

| Description | Results of Analysis |
|---|--|
| Type of Examination | Random Sample |
| Description of Population Sampled | Paid Psychological services excluding Medicare copayments and services identified by exception tests |
| Total Medicaid Amount Paid for Population Sampled | \$81,279.03 |
| Number of Population Services Provided | 1,001 |
| Amount Paid for Services Sampled | \$22,636.98 |
| Number of Services Sampled | 278 |
| Estimated Overpayment using Point Estimate | \$81,227 |
| Precision of Overpayment Estimate at 95% Confidence Level | \$518 (0.64%) |
| Point Estimate adjusted to allow for services deemed to be correctly paid. Adjusted Point Estimate used as Finding Amount. | \$81,201.62 |

Source: AOS analysis of MMIS information and the Provider's medical records



Dave Yost • Auditor of State

DAVID DELONG PHD

MAHONING 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
NOVEMBER 8, 2012