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**C.G.G. INC. DBA C.G.G. AMBULETTE
ALSO KNOWN AS C.G.G. AMBULETTE INC.
HAMILTON COUNTY**

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO AMBULETTE SERVICES

Glenda Carter-Benn, President
C.G.G. Inc. DBA C.G.G. Ambulette also known as C.G.G. Ambulette Inc.
697 Waycross Road, Apt. B
Cincinnati, Ohio 45240

RE: *Medicaid Provider Numbers 2308363 and 3021170*

Dear Ms. Carter-Benn:

We examined your (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation, and service authorization related to the provision of ambulette services during the period of January 1, 2009 through December 31, 2011. The accompanying Compliance Examination Report identifies the specific requirements examined for compliance.

Provider's Responsibility

The Provider entered into an agreement with the Ohio Department of Medicaid to provide services to Medicaid recipients (the Provider Agreement). The Provider Agreement outlines the responsibility to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, and the regulations and policies set forth in the Medicaid Handbook including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Therefore, the Provider is responsible for complying with the requirements and laws outlined by the Medicaid program.

Auditor's Responsibility

Our responsibility is to express an opinion and report on the Provider's compliance with the specified Medicaid requirements based on our examination. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code and conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and, accordingly, included examining, on a test basis, evidence supporting the Provider's compliance with those Medicaid requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. However, our examination does not provide a legal determination on the Provider's compliance with the specified Medicaid 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 Adverse Opinion on Medicaid Services

Our examination disclosed that no driver employed by the Provider met the requirements to provide ambulette services. In addition, we found material non-compliance with service documentation and

service authorization requirements. In a material number of instances the Provider did not maintain service documentation and/or Certificates of Medical Necessity (CMNs). In addition, the trip documentation that was maintained did not consistently include all of the required elements and CMNs, if present, were invalid or incomplete.

Adverse Opinion on Compliance

In our opinion, the Provider has not complied, in all material respects, with the aforementioned requirements pertaining to provider qualifications, service documentation and service authorization for the period of January 1, 2009 through December 31, 2011.

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.

Our examination of ambulette services disclosed that the Provider did not employ eligible drivers, maintain proper documentation, and obtain proper service authorization. As a result, we found the Provider was overpaid by Ohio Medicaid between January 1, 2009 through December 31, 2011 in the amount of \$418,403.83. This finding plus interest in the amount of \$28,984.50 totaling \$447,388.33 is due and payable to the Ohio Department of Medicaid (ODM) upon ODM's adoption and adjudication of this examination report.

When the Auditor of State 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 ODM, Fiscal Operations, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B) Therefore, a copy of this report will be forwarded to ODM because it 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 ODM's Office of Legal Services at (614) 752-3631.

This report is intended solely for the information and use of the Ohio Department of Medicaid, 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, and other regulatory and oversight bodies and, is not intended to be, and should not be used by anyone other than these specified parties. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.



Dave Yost
Auditor of State

March 20, 2014

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 § 5160-1-29(A).

**Compliance Examination Report for C.G.G. Inc. DBA C.G.G. Ambulette
also known as C.G.G. Ambulette, Inc.**

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. 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 § 5160-1-01(A)

The Auditor of State performs examinations to assess provider compliance with Medicaid 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 § 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 or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5160-1-17.2(E)

The Provider's Ohio Medicaid provider numbers were 2308363 (inactive as of January 18, 2010) and 3021170 (inactive as of February 5, 2014) and the Provider was a transportation company located in Hamilton County, Ohio that rendered ambulette services to Ohio Medicaid recipients. The Provider Agreements list the organization name as C.G.G. Inc. DBA C.G.G. Ambulette. We found no business filing with the Ohio Secretary of State under C.G.G. Inc. but did find a business filing for C.G.G. Ambulette Inc. that lists the same incorporators as were listed as directors in the Provider Agreements.

The Provider notified the Ohio Medical Transportation Board that it ceased operations as of January 31, 2012. The Provider received reimbursement of \$418,403.83 for 30,324 ambulette services rendered on 7,549 recipient dates of service during the examination period. A recipient date of service is defined as all services for a given recipient on a specific date of service.

Some Ohio Medicaid recipients confined to a wheelchair may be eligible to receive transportation services provided by an ambulette provider. See Ohio Admin. Code § 5160-15-03(B)(2) An ambulette is a vehicle designed to transport wheelchair bound individuals. Qualifying ambulette services must be certified as medically necessary by an attending practitioner for individuals who are non-ambulatory, able to be safely transported in a wheelchair, and do not require an ambulance. "Attending practitioner" is defined as the primary care practitioner or specialist who provides care and treatment to the recipient on an ongoing basis and who can certify the medical necessity for the transport. An attending practitioner can be a doctor of medicine, a doctor of osteopathy, a doctor of podiatric medicine, or an advanced practice nurse. Ohio Admin. Code § 5160-15-01(A)(6)

All medical transportation services must be prescribed by a Certificate of Medical Necessity (CMN) except for ambulance transports to a hospital emergency room and ambulance or ambulette transfers of individuals, who are non-ambulatory, from one hospital to another hospital if the

services provided at the second hospital are covered by Medicaid. See Ohio Admin. Code § 5160-15-02(E)(4)

Ambulette providers must maintain records describing the transportation services including the time of scheduled pick up and drop off, recipient name and Medicaid number, vehicle identification, pick up address, name and address of the Medicaid covered service provider at the Medicaid covered point of transport, pick up and drop off times, the original Certificate of Medical Necessity and current certification and licensure for the drivers. See Ohio Admin. Code § 5160-15-02(E)(2)

Purpose, Scope, and Methodology

The purpose of this examination was to examine Medicaid reimbursements made to the Provider for services and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. Please note that all rules and code sections relied upon in this report were those in effect during the audit period and may be different from those currently in effect.

The scope of the engagement was limited to an examination of ambulette services that the Provider rendered to Medicaid recipients and received payment during the period of January 1, 2009 through December 31, 2011.

We received the Provider's paid claims history from ODM's Medicaid Management Information System (MMIS) and Medicaid Information Technology System (MITS) database of services billed to and paid by Ohio's Medicaid program. We removed voided services and services paid at zero. Then we removed services rendered while the Medicaid recipient was listed as being inpatient. From the remaining population we selected a statistical random sample to facilitate a timely and efficient examination of the Provider's ambulette services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We also examined the personnel files for individuals that were employed as drivers during the examination period to ensure that the certification requirements were met prior to rendering services.

An engagement letter was sent to the Provider on October 17, 2013, setting forth the purpose and scope of the examination. An entrance conference was held on November 25, 2013 and fieldwork was performed November 25 through 26, 2013. After conducting our initial review of records on-site, we submitted a compiled list of missing records to the Provider. The Provider submitted additional documentation that we reviewed for compliance.

Results

We found that the Provider had no drivers that met all of the required qualifications and as a result we identified the total amount paid by Ohio Medicaid for ambulette services as an overpayment. In addition, we reviewed a statistical sample of 2,250 ambulette transportation service lines (1,122 paid transports with corresponding paid mileage and six paid mileages with no corresponding transport) and identified 1866 errors. Finally, we performed an exception test of services rendered to Medicaid recipients while the recipient was documented as being a patient in a hospital on the date of service. We reviewed 46 ambulette service lines (23 paid transports with corresponding paid mileage) and identified 23 errors. The basis for our findings is discussed below in more detail.

A. Driver Qualifications

All ambulette drivers must pass a criminal background check and have a signed medical statement from a licensed physician declaring the individual does not have a medical, physical or mental condition or impairment which could jeopardize the health or welfare of patients being transported. Also, each driver must undergo testing for alcohol and controlled substances by a

certified laboratory and be determined to be drug free. Background checks, medical statements, and drug test results must be completed and documented before the driver begins providing ambulette services or within 60 days thereafter. Prior to employment, each driver must obtain first aid and Cardiopulmonary Resuscitation (CPR) certification (or have an Emergency Medical Technician certification), provide a copy of his/her driving record from the Bureau of Motor Vehicles (BMV), and complete passenger assistance training. In addition, each driver must provide copy of a BMV driving record on annual basis. See Ohio Admin. Code § 5101:3-15-02(C)(3)

The Provider submitted a list of drivers and personnel files from the examination period and we reviewed the personnel files for all said drivers. In addition, while performing the statistical sample we documented the driver, when identified on the service documentation, and cross checked all drivers we identified to the drivers on the list or from the personnel files submitted by the Provider. All names we documented were on the list submitted by the Provider or in the personnel files so there is no indication of any other drivers than those we tested. We found that none of the eight drivers were in compliance with the required elements. Specific noncompliance issues identified include:

- one driver had no BMV check prior to employment and no driver had the annual BMV reviews;
- six drivers lacked the required criminal background check;
- one driver obtained the criminal background check 18 months after the hire date, one driver obtained the criminal background check seven years after the hire date and both were after the end of the examination period;
- four drivers had no drug and alcohol testing, three drivers had drug testing but no alcohol testing and one driver had drug testing but the results were not obtained;
- seven drivers lacked the proper physician statement; however, three had statements indicating no communicable disease present and one had a tuberculosis test;
- one driver had no passenger training, first aid, or CPR certificate; and
- one driver lacked first aid.

One driver's file included a "Conviction Record Transcript" that reflected convictions for obstructing official business and domestic violence as well as several other misdemeanors. Because the file did not include the required criminal background check, we were not able to determine if these convictions would have been disqualifying offenses.

B. Certificate of Medical Necessity

All transportation providers are required by Ohio Admin. Code § 5101:3-15-02(E)(2) to obtain a CMN that has been signed by an attending practitioner that documents the medical necessity of the transport. Ambulette providers must obtain the completed, signed and dated CMN prior to billing the transport. See Ohio Admin. Code §5101:3-15-02(E)(4)(d)

Our review of the statistical sample of 1,122 paid transports identified 729 transports in which there was no CMN and an additional 93 transports where the CMN was invalid. A CMN is invalid when not signed by an authorized practitioner. In addition, we noted CMNs for 146 transports that were present and signed by an authorized practitioner but were not complete. These CMNs did not consistently contain the medical condition which requires the patient to use an ambulette and/or did not indicate that the recipient met all of the criteria for an ambulette transport.

C. Trip Documentation

Statistical Sample

Trip documentation must describe the transport from the time of pick up to drop off, mileage, addresses of to and from destination points, name of the Medicaid covered service provider at the Medicaid covered point of transport, and mileage. This requirement is necessary to calculate the correct payment prior to billing Ohio Medicaid. See Ohio Admin. Code § 5101:3-15-02(E)(2)(a)

The examination found the following non-compliance issues with the Provider's trip documentation:

- 451 transports with no service documentation;
- 127 transports in which the mileage reimbursed was not supported by the documentation; and
- 320 transports where the documentation was incomplete. Incomplete documentation did not include the Medicaid covered service, point of transport, pick up and/or drop off times, mileage, and/or driver.

Exception Test

We identified 46 ambulette services (23 transports with corresponding paid mileages) where the date of the service overlapped an inpatient hospital stay. We reviewed documentation to determine if the Provider had supporting documentation for the services and noted that 21 transports had no supporting documentation and the two transports with documentation did not include the required elements.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on April 15, 2014, and the Provider was afforded an opportunity to respond to this examination report.

The Provider responded that her building was broken into, she has moved several times and records were lost, and that she was not aware records were missing.

AOS response: During the entrance conference the Provider indicated that while she did file a police report after the break-in in her building, she did not report to the police that service documentation was missing.

The Provider did not submit a signed representation letter.



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HAMILTON 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
MAY 13, 2014**