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**ONE DROP MEDICAL TRANSPORTATION, LLC  
FRANKLIN COUNTY**

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO NON-EMERGENCY TRANSPORTATION SERVICES**

Hafiz I. Abubakker, Owner  
One Drop Medical Transportation, LLC  
4400 Mobile Drive, Apt. 112  
Columbus, Ohio 43220

RE: *Medicaid Provider Number 2920781*

Dear Mr. Abubakker:

We examined your (the Provider's) compliance with specified Medicaid requirements for service documentation and service authorization related to the provision of non-emergency medical transportation services during the period of July 1, 2011 through June 30, 2014. We reviewed the Provider's records to determine if it had support for services billed to and paid by Ohio Medicaid. In addition, we determined if the services were authorized in certificates of medical necessity (CMN). We also reviewed personnel records to verify that driver qualifications were met. The accompanying Compliance Examination Report identifies the specific requirements examined.

### ***Provider's Responsibility***

The Provider entered into an agreement with the Ohio Department of Medicaid (ODM) 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 found material non-compliance with service authorization, service documentation and driver qualifications. In a material number of instances, the Provider lacked complete CMNs which authorize the transport, trip documentation was missing or incomplete; mileage billed was not supported by documentation; and none of the drivers tested met minimum requirements. The Provider declined to submit a signed representation letter acknowledging responsibility for maintaining records and complying with applicable laws and regulations regarding Ohio Medicaid reimbursement; establishing and maintaining effective internal control over compliance; making available all documentation related to compliance; and responding fully to our inquiries during the examination.

***Adverse Opinion on Compliance***

In our opinion, the Provider has not complied, in all material respects, with the aforementioned requirements for the period of July 1, 2011 through June 30, 2014.

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 found the Provider was overpaid by Ohio Medicaid for services rendered from July 1, 2011 through June 30, 2014 in the amount of \$739,961.21. This finding plus interest in the amount of \$41,838.22 totaling \$781,799.43 is due and payable to the ODM upon its adoption and adjudication of this examination report. When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,<sup>1</sup> any payment amount in excess of that legitimately due to the provider will be recouped by ODM, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B)

This report is intended solely for the information and use of the Ohio Department of Medicaid, the Ohio Attorney General's Office, the U.S. Department of Health and Human Services, 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](http://www.ohioauditor.gov).



**Dave Yost**  
Auditor of State

March 21, 2016

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<sup>1</sup> "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**

### **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(B) 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 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. Ohio Admin. Code § 5160-1-17.2(E)

Some Ohio Medicaid patients 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 practitioner (i.e., primary care practitioner or specialist) who provides care and treatment to the patient 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).

The Provider rendered transportation services and operated with the registered trade name of One Drop Medical Transportation. During the examination period, the Provider received reimbursement of \$739,961.21 for 49,826 ambulette services, including 24,899 non-emergency wheelchair van transport services (procedure code A0130), and 24,927 mileage services (procedure code S0209) rendered on 941 dates of service. A date of service is defined as all services rendered for a specific date of service. The Provider indicated that it no longer is in business and a review of Medicaid paid claims showed that the last Medicaid payments were made in May, 2015. The trade name was cancelled on February 22, 2016. The Provider's Ohio Medicaid agreement became inactive on March 29, 2016.

### **Purpose, Scope, and Methodology**

The purpose of this examination was to 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 examination period and may be different from those currently in effect.

The scope of the engagement was limited to an examination of non-emergency medical transportation services, specifically ambulette services that the Provider rendered to Medicaid patients and received payment during the period of July 1, 2011 through June 30, 2014.

We received the Provider's paid claims history from ODM's Medicaid Management Information System (MMIS) database and ODM's Medicaid Information Technology System (MITS) of services billed to and paid by Ohio's Medicaid program for ambulette transports (procedure code A0130) and ambulette mileage codes (procedure code S0209). There were no voids, services paid at zero or services with Medicare co-payments.

**Purpose, Scope, and Methodology (continued)**

The population was stratified by the number of services performed on each date. We used a statistical sampling approach to facilitate a timely and efficient examination of the Provider's services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). From the population, a stratified approach was used to ensure that services were sampled from both dates of service with a low number of transports as well as dates with a high number of transports. As shown in Table 1, the first strata includes dates of service with 15 or fewer recipient dates of service (RDOS), and the second strata includes dates with 16 or more RDOS. A recipient date of service is defined as all services for a given patient on a specific date of service. The strata were designed using a modified cumulative frequency square root method (Dalenius-Hodge Rule). The sample sizes were adjusted to meet the sample size needed for Cochran's approximation of normality.

**Table 1: Ambulette Sample**

<b>Universe/Strata</b>	<b>Population Size</b>	<b>Sample Size</b>
Dates of service with 15 or less RDOS	5,393 RDOS	105 RDOS
Dates of service with 16 or more RDOS	6,899 RDOS	90 RDOS
<b>Total</b>	<b>12,292 RDOS</b>	<b>195 RDOS</b>

We then obtained the detailed services for the 195 sampled RDOS. This resulted in a sample size of 785 services.

An engagement 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 and process for submitting billing to the Ohio Medicaid program. After conducting our review of the records initially submitted by the Provider, we sent a compiled list of missing records to the Provider. The Provider submitted additional documentation which we reviewed for compliance.

**Results**

We reviewed 785 ambulette transportation services (392 transports and 393 mileage codes) and identified 971 errors. We reviewed personnel files and found that no drivers met the driver qualifications during the examination period. Based on the non-compliance found in our testing, we identified \$739,961.21, the amount reimbursed for all services, as an overpayment. While certain services had more than one error, only one finding was made per service. The basis for our findings is described below in more detail.

**A. 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. The practitioner certification form must state the specific medical conditions related to the ambulatory status of the patient which contraindicate transportation by any other means on the date 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)

Our review of the ambulette sample identified 118 paid transports with no CMN to cover date of service and 64 transports in which the CMN did not include a medical condition and/or was not signed by the authorized practitioner or we could not determine the credentials of the signor. These errors are used in the overall finding amount of \$739,961.21.



## Results (Continued)

### A. Certificate of Medical Necessity

In addition, we noted CMNs for 159 transports that included a medical condition and were signed by an authorized practitioner but were not complete. These CMNs did not consistently indicate that the recipient met all of the criteria for an ambulette transport, but at least one of the criteria was met. Per Ohio Admin. Code §5101:3-15-03 (B)(2), ambulette services are covered only when the individual has been determined and certified by the attending practitioner to be non-ambulatory at the time of transport and does not require ambulance services; the individual does not use passenger vehicles as transport to non-Medicaid services; and the individual is physically able to be safely transported in a wheelchair.

### B. Trip Documentation

Trip documentation records must describe the transport from the time of pick up to drop off, and include the mileage, full name of driver, vehicle identification, full name of the Medicaid covered service provider, and complete Medicaid covered point of transport addresses. 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)

Our review of the sample of 785 transports found 310 errors as follows:

- 141 transports with no service documentation;
- 135 transports where it could not be determined if the transport was to a Medicaid covered service due to incomplete trip documentation; and
- 34 transports in which the mileage billed either exceeded the mileage noted on the documentation or the mileage was missing for both initial and return trip.

These 310 errors are used in the overall finding amount of \$739,961.21.

We also noted 69 transports with incomplete documentation. The incomplete documentation contained the full name but not the address of the covered Medicaid service, and/or did not contain the pick-up and/or drop off times, and/or the mileage was recorded on the initial or return trip, but not both.

### C. 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 BMV driving record on annual basis. See Ohio Admin. Code § 5101:3-15-02(C)(3) Each driver must also maintain a valid drivers' license.

## Results (Continued)

### C. Driver Qualifications (Continued)

There were nine individuals that we could identify as drivers in our sample based on the Provider's trip documentation. There were 57 transports in which no driver was identified. We selected all of the identified nine drivers to test for compliance with driver requirements. Since the Provider did not submit information on employment dates for these drivers, we tested for the following compliance requirements using the first date the driver drove for a service in our sample: background check, medical statement, alcohol test, controlled substance test, driving record and passenger assistance training. We found the following errors:

- 6 drivers had no documentation of a criminal background check, and 1 driver's background check was completed after the driver's first date of service in our sample;
- 1 driver had convictions for 2 disqualifying offenses;
- 9 drivers lacked a physician statement;
- 9 drivers lacked an alcohol test;
- 7 drivers lacked a substance abuse test; and 1 driver's substance abuse test was after the driver's first date of service in our sample;
- 5 drivers lacked a driving record; and
- 5 drivers lacked passenger assistance training, and 2 drivers did not complete passenger assistance training before their first date of service in the sample.

We tested the on-going requirements of first aid, CPR and driver's license for all nine drivers in our sample. We found the following errors:

- 5 drivers did not have a valid driver's license and one driver who had a lapse in driver's license of approximately eight months;
- 6 drivers did not have first aid;
- 5 drivers who did not have CPR; and
- 1 driver had a lapse in first aid and CPR of approximately 16 months and 1 driver had a lapse in first aid and CPR of 10 months.

As a result, services involving all nine of the drivers identified in our sample were ineligible for Medicaid reimbursement. We identified 194 errors for services provided by one of these nine drivers and 57 errors for transports in which no driver was identified. These 251 errors are used in the overall finding amount of \$739,961.21

### D. Vehicle Review

According to Ohio Admin. Code § 5101:3-15-02(A)(2), providers of ambulance services must operate in accordance with applicable requirements developed by the Ohio Medical Transportation Board in accordance with Chapter 4766 of the Ohio Rev. Code.

We obtained records from the State Board of Emergency Medical Services (State Board) which showed violations for personnel qualifications that included valid drivers' license, background checks, first aid, alcohol tests, drug test and physician statements. There were five vehicles certified by the State Board in 2011, four vehicles in 2012 and part of 2013 and three vehicles in the remainder of 2013 and in 2014.

The Provider's trip documentation did not contain vehicle identification so we were unable to verify that licensed vehicles were used for the transports in our sample.

One Drop Medical Transportation, LLC  
Independent Auditor's Report on  
Compliance with Requirements of the Medicaid Program

**Provider Response:**

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

May 18, 2016

WRITER'S DIRECT NUMBER: (614) 462-2248  
DIRECT FAX: (614) 224-3253  
EMAIL: Robert.Cochran@icemiller.com

*Sent via Electronic and Regular U.S. Mail*

Kristi Erlewine, Chief Auditor  
Medicaid/Contract Audit Section  
Auditor of State  
88 East Broad Street, 9<sup>th</sup> Floor  
Columbus, OH 43215-3506  
[KSErlewine@ohioauditor.gov](mailto:KSErlewine@ohioauditor.gov)

**RE: One Drop Medical Transportation, LLC  
Medicaid Provider No. 2920781**

Dear Ms. Erlewine,

Our firm represents One Drop Medical Transportation, LLC (“One Drop”) with respect to the audit that was conducted on its Medicaid files for the period of July 1, 2011, to June 30, 2014. This letter constitutes our client’s official response to the draft audit report of April 12, 2016. We appreciate the extra time you gave us to respond.

As you know, our client provided non-emergency medical transportation services. The draft report finds that One Drop has been overpaid by the Ohio Department of Medicaid in the amount of Seven Hundred Thirty-Nine Thousand Nine Hundred 21/100 Dollars (\$739,961.21). The amount is an estimate based upon a sample of claims. As noted in the draft audit report, One Drop’s Medicaid agreement became inactive in March 2016.

As a threshold matter, One Drop reserves the right to challenge the statistical sampling and extrapolation that gives rise to the overpayment.

In addition, there is no suggestion in the draft report that One Drop intended to defraud the State of Ohio or that One Drop failed to provide the services for which it billed Medicaid. Rather, the audit finding is based upon One Drop’s alleged failure to maintain proper documentation, especially for its drivers. Several factors contributed to One Drop’s recordkeeping difficulties. The owner is an immigrant who speaks English as a second language. The owner also believed One Drop complied with Ohio law because the company was inspected and licensed by the Ohio Medical Transportation Board on a yearly basis. Violations identified by inspectors were corrected.

Accordingly, to require repayment here would be a great injustice, as One Drop performed the services and paid the expenses to provide these services. As a result, we ask that the alleged overpayment be waived, as the services were actually performed for Medicaid beneficiaries.

Kristi Erlewine, Chief Auditor  
May 18, 2016  
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Finally, One Drop reserves all other rights with respect to the audit, including the right to challenge the findings in a future legal action. We request that copy of this letter be appended to the final audit report.

Very truly yours,

ICE MILLER LLP

A handwritten signature in black ink, appearing to read 'RJC', with a long horizontal flourish extending to the right.

Robert J. Cochran

RJC/mcg

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# Dave Yost • Auditor of State

**ONE DROP MEDICAL TRANSPORTATION LLC**

**FRANKLIN 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 31, 2016**