



Dave Yost • Auditor of State

**ELDERCARE SERVICES INSTITUTE, LLC
CUYAHOGA COUNTY**

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH MEDICAID REQUIREMENTS APPLICABLE TO PARTIAL HOSPITALIZATION SERVICES

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

RE: Eldercare Services Institute, LLC
Ohio Medicaid #2871165

We examined Eldercare Services Institute, LLC's (the Provider's) compliance with specified Medicaid requirements for service documentation, service authorization and provider qualifications related to the provision of partial hospitalization services during the period of January 1, 2013 through December 31, 2015.

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 reimbursement made by Ohio Medicaid. The Provider is responsible for compliance with the specified requirements. 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 pertaining to provider qualifications, service documentation and service authorization in the provision of partial hospitalization services for the period of January 1, 2013 and December 31, 2015.

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.

Eldercare Services Institute, LLC
Independent Auditor's Report on
Compliance with the Requirements of the Medicaid Program

This report is intended solely for the information and use of the Provider and the ODM, and is not intended to be, and should not be used by anyone other than this specified party.

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

October 2, 2017

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(A) and (B) 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(D) and (E)

Ohio Medicaid recipients may be eligible to receive partial hospitalization services. The only providers of partial hospitalization services are the Ohio Department of Mental Health and Addiction Services and a community mental health agency or facility that meets the requirements in accordance with Ohio Admin. Code § 5160-27-01.

This Provider is a community mental health agency and, during the examination period, received reimbursement from the Ohio Medicaid program of \$1,714,681.70 for 16,668 mental health services rendered on 16,300 recipient dates of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service. The services reimbursed by the Medicaid program included the following:

- \$143.17 for psychiatric diagnostic evaluation services (procedure code 90791);
- \$403.30 for psychotherapy patient & family 30 minute services (procedure code 90832);
- \$518.49 for psychotherapy patient & family 45 minute services (procedure code 90834);
- \$37,612.62 for mental health assessment services (procedure code H0031);
- \$22,950.00 for behavioral health counseling services (procedure code H0004);
- \$5,231.52 for psychotherapy patient & family 60 minute services (procedure code 90837);
- \$844,069.06 for partial hospitalization services (procedure code S0201); and
- \$803,753.54 for community psych support services (procedure code H0036).

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the Provider's claims for reimbursement complied with Ohio Medicaid regulations. The scope of the engagement was limited to an examination of partial hospitalization services (procedure code S0201) that the Provider rendered during the period of January 1, 2013 through December 31, 2015 and received payment from Ohio's Medicaid program. 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.

We received the Provider's claims history from the data warehouse that stores claims from the Medicaid Information Technology System (MITS). We removed all services with a paid amount of zero. We extracted procedure code S0201 and used 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).

We stratified the partial hospitalization services by date of service (DOS). We randomly selected 87 RDOS for examination. We then obtained the detailed services for the 87 sampled RDOS resulting in a final sample of 87 services.

Purpose, Scope, and Methodology (continued)

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.

Results

We examined 87 partial hospitalization services in our sample and found no exceptions.

A. Provider Qualifications

Ohio Admin. Code § 5122-29-30 Appendix B contains the list of professionals qualified to render and/or supervise partial hospitalization requires.

We compiled the names and professional credentials for the 10 individuals identified on the service documentation for the services in the sample. Using the Ohio e-License Center website, we searched the six social workers and four counselors to ensure that their professional license was current and valid on the first date of service in our tests and was active during remainder of examination period. We compared the licensure of each individual to the required qualifications listed in Ohio Admin. Code § 5122-29-30 Appendix B.

We found that all of the professionals met the qualifications to provide partial hospitalization service.

We also reviewed the Individual Service Plan that corresponded with each service date rendered by a Social Worker and verified that the ISP was countersigned by a credentialed supervisor.

B. Service Documentation

A community mental health agency must maintain progress notes for partial hospitalization services that includes, but is not limited to, date of service, time of day and duration, and a description of the services rendered. See Ohio Admin. Code § 5122-27-06

We reviewed all documentation submitted by the Provider to verify that there was documentation which supported the services and units billed and contained the required elements listed above.

We found no exceptions.

C. Authorization to Provide Services

Individual Service Plan

Community mental health agencies are required by Ohio Admin. Code § 5122:27-05(A) to create an individual service plan for recipients that identifies specific mental health needs, and the name and/or description of all services being provided. The plan must contain the signature of the staff member that developed the plan, the date of development and evidence of supervision, as applicable.

We reviewed individual service plans for each recipient in the sample to ensure that there was a plan to cover the service date and that the plan was signed and dated by a qualified person.

We found no exceptions.

Eldercare Services Institute, LLC
Independent Auditor's Report on
Compliance with the Requirements of the Medicaid Program

Official Response

The Provider was afforded an opportunity to respond to this examination report. The Provider declined an exit conference to discuss the results of this examination and also declined to submit an official response to the results noted above.

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ELDERCARE SERVICES INSTITUTE

CUYAHOGA 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
OCTOBER 19, 2017**