



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 SERVICES

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

RE: Northeast Home Health Services LLC
Ohio Medicaid Number: 0107987 National Provider Identifier (NPI): 1407294713

We were engaged to examine compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of home health aide and home health nursing services during the period of January 1, 2019 through December 31, 2021 for Northeast Home Health Services LLC (Northeast). We also tested additional payments for the same period as follows:

- The five recipients with the highest number of services in which a home health service was billed during a potential inpatient hospital stay;
- 14 dates of service in which Northeast and another home health agency (HHA) billed for personal care aide services for the same recipient and date of service; and
- 25 dates of service in which an aide rendered services to two recipients in the same apartment building.

Northeast 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 to fully disclose the extent of services provided and significant business transactions. Northeast is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements included in the engagement.

Internal Control over Compliance

Northeast 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 Northeast's internal control over compliance.

Basis for Disclaimer of Opinion

Based on Northeast's payments, we identified 28 recipients with dates of service that fell within an inpatient hospital stay. We selected five of these 28 recipients and requested confirmations from the hospitals of both the admission and discharge dates. Northeast billed for 46 services for these five selected recipients and we confirmed that 32 of services could not have occurred as the recipient was in the hospital. For 28 of the 32 services, Northeast had service documentation reflecting time in and out, tasks performed and signatures of staff and recipient.

These documents indicate that staff are not accurately reporting the delivery of services and raise concerns as to the reliability of Northeast's documentation to support Medicaid payments. We were not able to satisfy ourselves as to reliability of Northeast's documentation by other examination procedures.

Disclaimer of Opinion

Our responsibility is to express an opinion on Northeast'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. 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 Northeast's compliance with the specified Medicaid requirements for the period of January 1, 2019 through December 31, 2021.

We identified improper Medicaid payments in the amount of \$3,342.02. This finding plus interest in the amount of \$462.30 (calculated as of December 6, 2023) totaling \$3,804.32 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. See 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 payments.¹

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

December 6, 2023

¹ "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 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. Providers must furnish such records for audit and review purposes. See Ohio Admin. Code § 5160-1-17.2(D) and (E).

Northeast is a Medicare certified home health agency (MCHHA) and received payment of approximately \$6.3 million for 88,000 home health and waiver services². Northeast has one location in Shaker Heights, Ohio.

Purpose, Scope, and Methodology

The purpose of this engagement was to determine whether Northeast'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 home health aide and home health nursing services, as specified below, for which Northeast billed with dates of service from January 1, 2019 through December 31, 2021 and received payment.

We obtained Northeast's claims data from the Medicaid database which contains services billed to and paid by Ohio's Medicaid program. We removed all services paid at zero and managed care encounters³. From the total paid fee-for-service population, we selected the following in this order:

- The five recipients with the most services in which a home health service was billed during a potential inpatient hospital stay (Services During Potential Inpatient Stay);
- 14 dates of service in which Northeast and another home health agency (HHA) billed for personal care aide services for the same recipient and date of service (Services by Northwest and Another HHA for Same Recipient and Date of Service);
- 25 dates of service in which an aide rendered services to two recipients at the same address but different apartment number (Same Apartment Building);
- A random sample of home health aide services (Home Health Aide Services Sample) and all additional aide services billed on the same RDOS⁴ as the sampled services; and
- A random sample of home health nursing services billed on a date of service (Nursing Services Sample).

The tests and calculated sample sizes are shown in **Table 1**.

² Payment data from the Medicaid Information Technology System.

³ With the exception of 19 services paid by one Medicaid managed care entity.

⁴ RDOS is defined as all services for a given recipient on a specific date of service.

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Table 1: Exception Tests and Samples			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
Services During Potential Inpatient Stay ¹			46
Services by Northwest and Another HHA for Same Recipient and Date of Service (procedure code T1019)			14
Recipients in same Apartment Building ²			60
Samples			
Home Health Aide Services (procedure code G0156)	8,323 RDOS	80 RDOS	80
Additional Aide Services ³			64
Total			144
Nursing Services ⁴	2,238 services	60 services	60
Total			324

¹ These services include personal care aide services (procedure code T1019), home health aide services (procedure code G0156), passport personal care services (procedure code PT624) and nursing assessment/evaluation service (procedure code T1001)

² These services include personal care aide services (procedure code T1019), home health aide services (procedure code G0156) and PASSPORT⁵ personal care services (procedure code PT624)

³ These services include personal care aide services (procedure code T1019), PASSPORT homemaker services (procedure code PT570) and PASSPORT personal care services (procedure code PT624)

⁴ These services include home health registered nurse services (procedure code G0299), home health licensed practical nurse services (procedure code G0300) and nursing assessment/evaluation service (procedure code T1001)

A notification letter was sent to Northeast setting forth the purpose and scope of the examination. During the entrance conference, Northeast described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record system used, reviewed service documentation and verified professional licensure. We sent preliminary results to Northeast and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

Results

The summary results are shown in **Table 2**. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
Services During Potential Inpatient Stay	46	41	41	\$2,709.29

⁵ PASSPORT is the acronym for pre-admission screening system providing options and resources today.

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Table 2: Results				
Services by Northwest and Another HHA for Same Recipient and Date of Service	14	0	0	\$0.00
Recipients in Same Apartment Building	60	1	1	\$30.72
Samples				
Home Health Aide Services	80	6	6	\$251.18
Additional Aide Services	64	5	5	\$350.83
Total	144	11	11	\$602.01
Nursing Services	60	0	0	\$0.00
Total	324	53	53	\$3,342.02

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.

We identified six nurses and 44 aides 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 also compared identified administrative staff names to the same database and exclusion/suspension list. We found no matches.

Skilled Nursing Services

According to the Ohio Admin. Code § 5160-12-01(G), home health nursing services require the skills of and be performed by a licensed practitioner. Based on the e-License Ohio Professional Licensure System, the licenses for the six nurses identified in our testing were current and valid on the first date of service in our selected services and were valid during the remainder of the examination period.

Personal Care Aides

MCHHAs must ensure that personal care aides, prior to commencing service delivery, must obtain and maintain first aid certification. See Ohio Admin. Code § 5160-46-04. We tested nine personal care aides and found all had obtained first aid certification.

B. Service Documentation

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. See Ohio Admin. Code § 5160-12-03(B)(9). For personal care aide services, 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. See Ohio Admin. Code §§ 5160-46-04(A), 5160-31-05(B) and 173-39-02.11(C)(6)(b).

We obtained service documentation from Northeast and compared it to the required elements. We also compared units billed to documented duration and compared services by recipient and the rendering practitioner to identify any overlapping services. For errors where the units billed exceeded documented duration, the improper payment was based on the difference in the payment and the units or service supported by the documentation.

B. Service Documentation (Continued)

Services During Potential Inpatient Stay Exception Test

The 46 services were billed for five recipients and the reported date of service occurred during a potential inpatient stay. We requested verification from the rendering hospitals to confirm dates of admission and discharge for each of the five recipients.

For three of these five recipients we determined 32 services were billed with a date of service that was confirmed to have occurred during an inpatient stay. For the remaining two recipients, the hospital did not respond to our confirmation request or did not provide an adequate response to determine if the recipient was an inpatient on the selected date of service. There was no documentation to support nine of the 14 services associated with these two recipients. These 41 errors resulted in an improper payment amount of \$2,709.29.

For 28 of the 32 services that were billed during a confirmed inpatient stay, Northeast had service documentation reflecting time in and out, tasks performed and signatures of staff and recipient. These documents raise concerns as to the reliability of Northeast's service documentation to support Medicaid payments. Northeast indicated the caregivers submitted time sheets signed by the clients and it had no knowledge of the hospitalization.

Services by Northwest and Another HHA for Same Recipient and Date of Service Exception Test

Northeast provided documentation for the 14 services examined. In addition, we requested documentation from the other HHA for the services rendered to the same recipient and date of service. In 12 of the 14 instances, the same aide rendered services for a continuous shift (no breaks) and a portion of the time was billed by Northeast and the remaining portion was billed by the other HHA.

Recipients in Same Apartment Building

The 60 services examined contained one instance in which the units billed exceeded the documented duration. This one error resulted in an improper payment amount of \$30.72.

Home Health Aide Services Sample

The 80 services examined contained six instances in which there was no documentation to support the payment. These six errors resulted in an improper payment of \$251.18.

The additional 64 aide services billed on the same RDOS as the sampled home health aide services examined contained three instances in which there was no documentation to support the payment and two instances in which the units billed exceed the documented duration. The five errors resulted in an improper payment amount of \$350.83.

We also noted 24 instances in which a home health aide service was stacked with an additional aide service (a continuous visit with no break billed as two visits with different procedure codes). In comparing activities between these stacked visits, we noted that the same activities were performed under both codes. For example, an aide rendered PASSPORT personal care service (procedure code PT624) during a five hour shift followed immediately by one hour of home health aide service (procedure code G0156) and the documentation shows that the same activities were performed in both services: assist with bedside commode, assist with transfer, assist with ambulation, make bed, change linen and light housekeeping. A second example showed an aide rendered four hours of PASSPORT personal care service followed immediately by two hours of home health aide service and rendered the same activities: assist with transfer, make bed, change linen and light housekeeping.

B. Service Documentation (Continued)

Nursing Services Sample

The 60 services examined contained no errors related to the attributes noted above.

Recommendation

Northeast should develop and implement procedures to ensure that all service documentation and billing practices fully complies with requirements contained in Ohio Medicaid rules. In addition, Northeast should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement.

We also recommend that the Department consider the impact of continuous shifts billed by two different home health agencies or billed between two codes in terms of coordination of care and appropriate utilization of services.

C. Authorization to Provide Services

All home health providers are required by Ohio Admin. Code § 5160-12-03(B)(3)(b)⁶ to create a plan of care for recipients indicating the type of services to be provided to the recipient.

We obtained plans of care from Northeast and confirmed 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. We limited our testing of plans of care to the sampled services.

Home Health Aide Services Sample

The 80 services examined contained a plan of care that included the attributes noted above.

Nursing Services Sample

The 41 services examined contained a plan of care that included the attributes noted above (the 19 nursing assessment/evaluation services in the sample did not require a plan of care).

Official Response

Northeast declined to submit an official response to the results noted above.

⁶ 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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NORTHEAST HOME HEALTH SERVICES LLC

CUYAHOGA 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 1/30/2024

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