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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ohio Department of Developmental Disabilities
30 East Broad Street
Columbus, Ohio 43215

We have performed the procedures enumerated below on the disbursements and statistical data recorded in the County Board Cost Report System (Cost Report) of the Lorain County Board of Developmental Disabilities (County Board) for the year ended December 31, 2023 and certain compliance requirements related to the Cost Report and Medicaid services, included in the information provided to us by the management of the County Board. The County Board is responsible for the data in the Cost Report for the year ended December 31, 2023 and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the County Board.

The Ohio Department of Developmental Disabilities (the Department) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of aiding in the evaluation of the County Board's disbursements and statistical data recorded in the Cost Report for the year ended December 31, 2023, and certain compliance requirements related to the Cost Report and Medicaid services. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the Department. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

Targeted Case Management (TCM) and Service and Support Administration (SSA)

Statistics – Service and Support Administration (SSA)

1. We footed the County Board's Detail TCM, Allowable, Unallowable by Consumer reports for accuracy. There were no computational errors.

We compared the number of Targeted Case Management (TCM), Other SSA Allowable, and SSA Unallowable units from the SSA reports with the Cost Report. We found no variances greater than two percent of total units on each row.

2. We selected 20 Other SSA Allowable recipient dates of service from the Detail TCM, Allowable, Unallowable by Consumer reports and compared the documented activity to Ohio Admin. Code 5160-48-01(D) and to the elements required by Ohio Admin. Code 5160-48-01(F). We found no noncompliance with the documented activity or service documentation requirements greater than 10 percent.
3. We inquired with the County Board if it tracked SSA general and administrative activities (general time units) as required by the Annual Summary of Units of Service – Service and Support Administration and SSA Unit and Cost Reporting sections of the *Guide to Preparing Income and Expenditure Reports for use by County Boards of Developmental Disabilities* (Cost Report Guide).

Statistics – Service and Support Administration (Continued)

The County Board stated they did not formally track general time units in the system; therefore, we calculated an estimate for general time units based on FTE and hours for first line SSAs on the SSA Listing. We then calculated an initial and final SSA utilization rates of 42.15% and 42.11%; respectively, using estimated general time units and SSA Allowable and Unallowable 15-minute unit totals from the initial and final Cost Report.

We inquired with the County Board's management why the utilization rate was below 75%. We obtained an explanation that six SSAs left in 2023 and the Board had 12 new SSA staff added from late 2022 through 2023 and for the first four to six weeks they are onboarding and there are no case units during that time. Additionally, new staff don't get a full caseload until the fourth or fifth month when training is completed. The County Board stated the calculations don't factor in that SSA staff are taking in as much as four to five weeks of vacation. Moreover, although units are being captured in the calculations it isn't taking into account the minutes staff are spending on individuals that do not lead to a full unit. Finally, the County Board was advised many years ago not to document general time units and so SSAs are not consistently capturing travel time; however, we will retrain staff to ensure this time is consistently captured going forward.

TCM Paid Claims Testing

1. We selected 100 Targeted Case Management (TCM) recipient dates of service and compared the County Board's service documentation to the allowable/ covered activities and documentation requirements listed in Ohio Admin. Code 5160-48-01 (D) and (F) and the Cost Report Instructions. We found instances of non-compliance as described below and calculated recoverable findings. We also reported the corresponding unit adjustments in the Appendix.

Service Code	Units	TCM Review Results	Finding
TCM	96	Units billed in excess of actual service delivery	\$1,203.70
TCM	38	Units billed for direct service delivery	\$476.46
TCM	31	Units billed by 2 SSAs for the same time for the same activity	\$399.45
Total			\$2,079.61

2. We compared the number of reimbursed TCM units from the Summary by Service Code report to the final units reported. We confirmed that total reimbursed units were less than final TCM units.

SSA Additional Procedures

1. We received an SSA listing from the County Board of all first line SSAs and first line SSA Supervisors and their respective salaries, benefits and full time equivalent (FTE) percentages. We compared the SSA Listing to the Case Notes Summary of Time and Units Billed report and found no variances.

We calculated the expected first line SSA and first line SSA supervisor's salary and benefit costs based on the FTE percentages. We compared calculated SSA salaries and benefits to the reported costs on the *Service and Support Administration form* of the Cost Report and found the calculated first line SSA and first line SSA supervisor costs were less than the reported SSA costs.

We inquired with the County Board's management regarding the variance and obtained an explanation and list of SSA secretaries' salaries and benefits were included on the *Service and Support Administration form* in 2023 but not included on the SSA Listing.

2. We scanned the Salary Allocations and IHAC Expense Detail reports and inquired of management if there were any paid contingency-based bonuses for SSA utilization and found none.

SSA Additional Procedures (Continued)

3. We found 49 SSAs and eight SSA supervisors listed on the SSA Listing. We calculated 42.65 initial full-time equivalent (FTE) first line SSAs and 7.81 initial FTE first line SSA supervisors and an initial and final ratios of 5.46 first line SSA FTEs to one SSA FTE supervisor. We calculated final first line SSAs and SSA supervisors of 42.65 and 7.56; respectively, and final first line SSA to first line SSA Supervisor ratio of 5.64 after the adjustments in the section titled SSA Payroll Expenditures.
4. We found 4,410 individuals served listed on DODD's Individual's served report. We calculated an initial and final ratios of 103.41 individuals served to first line SSA FTEs and an initial and final ratios of 564.83 and 583.51; respectively, of individuals served to first line SSA supervisor FTEs.

SSA Payroll Expenditures

As part of the procedures under our Payroll Expenditures section, we found an SSA Medicaid manager position had some payment authorization for waiver services functions and reclassified \$31,342 in salaries and benefit costs from the *Service and Support Administration form* to the *Direct Services form* in accordance with the Cost Report Guide as reported in the Appendix.

SSA Non-Payroll Expenditures

As part of the procedures under our Non-Payroll Expenditures section, we reclassified a combined total of \$7,920 in psychological and physical therapy services from the *Service and Support Administration form* to the *Psychological Services and Physical Therapy Services forms*. We also reclassified \$6,240 in home modifications costs from the *Service and Support Administration form* to the *Direct Services form* in accordance with the Cost Report Guide as reported in the Appendix.

TCM Unit Rate Procedure

1. We calculated a TCM unit rate of \$12.58 per 15-minute unit from final SSA expenditures on the *Service and Support Administration form* and from final SSA Allowable and SSA Unallowable units on the *Annual Summary of Units of Service – Service and Support Administration form* and estimated general time units. We compared the calculated TCM unit rate to the actual TCM unit rate of \$32.44 provided by DODD. We found the calculated TCM rate was \$5 less than the actual TCM unit rate and we inquired with County Board's management regarding the variance. We obtained the same explanation from the County Board as under procedure 3 in the section titled, Statistics – Service and Support Administration.
2. We calculated a 15-minute TCM unit rate of \$13.80 per 15 minute unit from the adjusted SSA Listing of first line SSA and first line SSA supervisor salaries, benefits prepared by the County Board and from adding an estimate of 15% for overhead costs. We compared the calculated TCM unit rate to the actual TCM unit rate of \$32.44 provided by DODD. We inquired with the County Board's management why the actual TCM unit rate was over five dollars more per unit than the calculated TCM rate. We obtained the same explanation from the County Board as under procedure 3 in the section titled, Statistics – Service and Support Administration.

Allocation Statistics - Square Footage

We confirmed through inquiry with the County Board and by scanning the Service Code by Summary report that it did not render any paid Medicaid waiver services for only a portion of calendar year 2023.

Allocation Statistics - Attendance

1. We footed the Day Services - All Locations and SE - Casenote reports for accuracy. There were no computational errors.

Allocation Statistics – Attendance (Continued)

We compared the attendance reports to the reported number of individuals served, days of attendance and 15 minute units and to the Cost Report Guide. We found no variances.

2. We traced the total attendance days for five individuals for each service type for two months from the daily attendance documentation and attendance acuity reports to the Cost Report. There were no differences.

Allocation Statistics - Transportation

1. We footed the Transportation Trips by Age Group report for accuracy. There were no computational errors.
2. We compared the total number of adult one-way trips from the transportation report to the Cost Report. There were no variances.
3. We traced the number of trips for 10 adults for one month from the daily service documentation to the Transportation Trips by Age Group report. There was no variance greater than 10 percent of the total adult trips tested.
4. We inspected the cost of bus tokens/cabs on the *Annual Summary of Transportation Services form* and found no cost of bus tokens/cabs. We scanned the IHAC Expense Detail report for any omitted costs and found none.

Adult and Non-Medical Transportation Paid Claims Testing

1. We confirmed that the County Board provided both adult services and non-medical transportation (NMT) and we selected 50 services among all NMT and adult waiver service codes and an additional five other services for the year from the Summary by Service Code report.

We compared the County Board's service documentation to the applicable rules for the claims selected within Ohio Admin. Code Chapter 5123-9 in effect at the time of service delivery and the Cost Report Instructions. We found instances of non-compliance in the following service codes: STB - Non-Medical Transportation - One-way trip - Eligible vehicle and SGR - Group Employment Support - 15 minute units. We calculated recoverable findings in the table below and reported the corresponding unit adjustments in the Appendix.

Service Code	Units	Adult, NMT and Other Services Results	Finding
STB	1	Unit Billed in excess of actual service delivery	\$ 19.70
SGR	34	Services billed in error	\$ 49.64
		Total	\$ 69.34

2. The County Board's First Student transportation contract specified a per bus per day amount and was not for the complete provision of the service as the County Board was responsible for providing resources, such as fuel. As a result, we were unable to compare a contracted rate to the reimbursed rate. We found no instances of other contracted services in our sample.

We compared the County Board's First Student contract to the guidance for Non-Medical Transportation services issued by DODD on May 15, 2015 and confirmed the following:

- The contract language is specific and describes the services that will be provided.

Adult and Non-Medical Transportation Paid Claims Testing (Continued)

- The County Board performed an analysis showing its efforts to comply with the prudent buyer principle guidelines in assessing its needs, establishing the goals to be attained, evaluation of the available alternatives, choosing the terms of the contract and reasonableness of rates paid.

Non-Payroll Expenditures

1. We traced non-payroll expenditures on the IHAC Expense Detail report to the *Indirect Costs Allocation, Program Supervision, Transportation Services, Service and Support Administration, and Adult Program forms*. There were no variances.
2. We selected 60 disbursements from the service contracts and other expenses on the IHAC Detail Expense report in cost categories that contributed to Medicaid rates. We compared the County Board's supporting documentation to the Cost Report and 2 C.F.R. §§ 200.420-475. There were variances greater than two percent. For any errors, we scanned the IHAC Detail Expense report for other like errors in the same cost center. We found additional similar errors and totaled all identified errors as reported in the Appendix.
3. We confirmed that the County Board maintained Oracle and Infallible General Ledger reports for one month in each quarter showing it performed monthly income and expense reconciliations in accordance with Ohio Admin. Code 5123-4-01(O)(2).
4. We confirmed that there was an associated cost reported under the appropriate adult program for the final attendance statistics and square footage. We confirmed there are no adult program, professional service costs or square footage without final attendance statistics.

Payroll Expenditures

1. We compared the salaries and benefit costs on the IHAC Expense Detail report to the amounts reported on the *Indirect Cost Allocation, Program Supervision, Transportation Services, Service and Support Administration and Adult Programs forms*. There were no variances.
2. We selected 40 employees from the Employee Listing and Job Title Costing Grid from cost categories that contribute to Medicaid rates. For the employees selected, we compared the organizational chart, Job Title Costing Grid, Case Notes Summary of Time and Units Billed by Case Manager reports and job descriptions and basis for allocation to the worksheet in which each employee's salary and benefit costs were allocated in accordance with the Cost Report Guide. There were variances as reported in the Appendix.
3. We confirmed that the misclassification errors identified in the employee payroll testing were below 10 percent.
4. We confirmed through inquiry with the County Board that it had no shared personnel costs with other County Boards.

Medicaid Administrative Claiming (MAC)

1. We compared the actual salaries and benefits for the Random Moment Time Study (RMTS) participants for the second quarter from the Quarterly Wages and ADP reports to the salaries and benefits submitted on the Cost by Individual Report. We confirmed that the actual salaries and benefits exceeded MAC reimbursed salaries and benefits.

Medicaid Administrative Claiming (Continued)

2. For the 11 RMTS observed moments selected by the Department, we obtained copies of the entries in the RMTS web-based program (RMTS Screenshot). We compared the entry in the "Comment" section of the RMTS screenshot and any uploaded supporting documentation to the responses in the "Moment Information" and "Moment Answers" sections and found no variances.

Unit Rates

For the facility based services (Acuity A, B and C), supported employment - group employment (Acuity A), supported employment - community employment, and targeted case management unit rates identified by the Department on the Comprehensive Cost Report Rate sheet, we used the CBCR notes and any Department Desk Review notations and inquired with County Board management regarding omissions or misreporting of costs or statistics, new contracts, and changes due to privatization which impact the unit rates.

The County Board indicated it was not aware of any errors that might impact the identified unit rates.

We were engaged by the Department to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the County Board's Cost Report and compliance with certain laws and regulations. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the County Board and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our agreed-upon procedures engagement.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

September 16, 2025

Appendix
Lorain County Board of Developmental Disabilities
2023 Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Attendance Statistics				
Adult Program				
Total Days of Attendance by Acuity				
A, Supported Emp.-Enclave (Non-Title XX Only)	9,880	(1)	9,879	To reduce attendance days for paid claims error
Annual Summary of Transportation Services				
Non-Title XX-Adult				
Supported Emp.-Enclave, CB One Way Trips	15,904	(1)	15,903	To reduce one way trips for paid claims error
Annual Summary of Units of Service - Service and Support Administration				
TCM Units, CB Activity	139,466	(165)	139,301	To reclassify units related to direct services and billing two SSAs with same activity at same time and remove units billed in excess of actual service delivery
SSA Unallowable Units, CB Activity	9,097	38		To reclassify units related to direct services
		31	9,166	To reclassify units billed for two SSAs with same activity at same time
Direct Services				
Salaries, Community Residential	\$ -	\$ 21,561	\$ 21,561	To reclassify PAWS portion of SSA Medicaid Manager salary
Employee Benefits, Community Residential	\$ -	\$ 9,781	\$ 9,781	To reclassify PAWS portion of SSA Medicaid Manager benefits
Other Expenses, Community Residential	\$ 57,166	\$ 6,240	\$ 63,406	To reclassify home repair expenses
Professional Services - Psychological Services				
Service Contracts, Community Residential	\$ -	\$ 3,600	\$ 3,600	To reclassify psychological service expenses
No. Of Individuals Served	-	5	5	To add individuals served
Professional Services - Physical Therapy				
Service Contracts, Gen Expense All Program	\$ -	\$ 4,320	\$ 4,320	To reclassify physical therapy expenses
Services and Support Administration				
Salaries, Service & Support Admin Costs	\$ 2,994,055	\$ (21,561)		To reclassify PAWS portion of SSA Medicaid Manager salary
		\$ (9,781)	\$2,962,713	To reclassify PAWS portion of SSA Medicaid Manager benefits
Service Contracts, Service & Support Admin Costs	\$ 31,122	\$ (3,600)		To reclassify psychological service expenses
		\$ (4,320)	\$ 23,202	To reclassify physical therapy expenses
Other Expenses, Service & Support Admin Costs	\$ 115,598	\$ (6,240)	\$ 109,358	To reclassify home repair expenses

OHIO AUDITOR OF STATE KEITH FABER



LORAIN COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

LORAIN 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 10/7/2025

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