



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT PAYMENTS FOR PHARMACY SERVICES

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

RE: First Care Pharmacy, LLC  
Ohio Medicaid Number: 0158721

National Provider Identifier: 1700262250

We examined compliance with specified Medicaid requirements for pharmacy services during the period January 1, 2020 through December 31, 2022 for First Care Pharmacy, LLC. We tested the following select payments in the order listed:

- Two RDOS<sup>1</sup> in which 40 or more prescriptions were dispensed;
- All Instances in which prescriptions were dispensed after a recipient's date of death; and
- A sample of 60 RDOS.

First Care Pharmacy, LLC 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.

Management of First Care Pharmacy, LLC is responsible for its compliance with the specified requirements. Our responsibility is to express an opinion on First Care Pharmacy's, LLC'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 (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether First Care Pharmacy, LLC complied, in all material respects, with the specified requirements detailed below. We are required to be independent of First Care Pharmacy, LLC and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

An examination involves performing procedures to obtain evidence about whether First Care Pharmacy, LLC 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 modified opinion. Our examination does not provide a legal determination on First Care Pharmacy, LLC's compliance with the specified requirements.

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<sup>1</sup> An RDOS is defined as all services for a given recipient on a specific date of service.

## **Results**

### ***Provider Qualifications***

Per Ohio Admin. Code 5160-1-17.2(H), in signing the Medicaid provider agreement, a provider agrees that the individual practitioner is not currently subject to sanction under Medicare, Medicaid, or Title XX; or is otherwise prohibited from providing services to Medicaid beneficiaries. We compared the names of the owner and three pharmacists to the Office of Inspector General exclusion database and the Department's exclusion/suspension list and found no matches.

The person to whom the terminal distributor of dangerous drugs license has been issued and all pharmacists on duty are responsible for compliance with all state and federal laws, regulations, and rules governing the distribution of drugs and the practice of pharmacy. Pharmacist means an individual who holds a valid pharmacist license in accordance with Chapter 4729 of the Ohio Rev. Code. See Ohio Admin. Code 4729:1-1-01 and 4729:5-1-01.

We tested four pharmacists identified during the examination and found all had the required licensure on dates of service for the selected payments.

### ***Service Documentation***

We tested compliance with Ohio Admin. Code 5160-9-06 which requires all records of prescriptions to comply with federal and state regulations and shall be retained by the provider for a period of six years from the date of payment of the claim and, if an audit is initiated during this time, records must be retained until the audit is resolved.

All outpatient prescriptions issued by a prescriber shall include, but are not limited to, the date as of and on the day when issued, indicate the drug name and strength, indicate the quantity to dispense and specify the number of times or the period in which the prescription may be refilled; see Ohio Admin. Code 4729:5-5-15.

We obtained prescriptions and dispensing records from First Care Pharmacy, LLC and compared them to the required elements. We also ensured the prescription was not expired at the time it was filled.

#### ***All RDOS in Which 40 or More Prescriptions Were Dispensed Exception Test***

The 52 prescriptions examined were compliant with the criteria tested.

#### ***Prescriptions Dispensed after a Recipient's Date of Death Exception Test***

The 20 prescriptions examined were dispensed after the recipient's date of death totaling \$280.40. Therefore, these prescriptions should not have been dispensed.

#### ***Sample of 60 RDOS***

The 100 prescriptions examined were compliant with the criteria tested.

## **Recommendation**

First Care Pharmacy, LLC should develop and implement procedures to ensure that prescriptions are not dispensed after the recipient's date of death. First Care Pharmacy should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

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

**Internal Control over Compliance**

First Care Pharmacy, LLC 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 First Care Pharmacy, LLC's internal control over compliance.

**Basis for Qualified Opinion**

Our examination disclosed that, in a material number of instances, prescriptions were dispensed after a recipient's date of death.

**Qualified Opinion on Compliance**

In our opinion, except for the effects of the matter described in the Basis for Qualified paragraph, First Care has complied in all material respects, with the aforementioned requirements for the provision of select payments for pharmacy services for the period of January 1, 2020 through December 31, 2022. Our testing was limited to the specified Medicaid requirements identified above. We did not test other requirements and, accordingly, we do not express an opinion on First Care Pharmacy, LLC's compliance with other requirements

This report is intended solely for the information and use of First Care Pharmacy, LLC, 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

November 19, 2024

## APPENDIX

First Care Pharmacy, LLC

Ohio Medicaid Number: 0158721 NPI: 1700262250

This letter is in response of the audit result for Ohio Medicaid Program.

First Care Pharmacy developed and implement additional procedures to ensure that prescriptions are not dispensed after the recipient is deceased. First Care Pharmacy will have a new training program for the staffs that focuses especially during delivery and at the pickup station. Such as asking the person who is picking up the medication or the person who is receiving the medication bags for each recipient's date of birth. When we have multiple family members with the same address, our drivers have to ask the date of birth for each family member that have a medication bag.

First Care Pharmacy has a plan to do an internal audit to ensure that the procedures has been followed by all the staff members.

# OHIO AUDITOR OF STATE KEITH FABER



**FIRST CARE PHARMACY, LLC**

**MONTGOMERY 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 12/3/2024**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)