



OHIO AUDITOR OF STATE
KEITH FABER



**A.S.A.P. HOME NURSES, INC.
AND
A.S.A.P. HOME CARE, INC.
MEDINA COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO HOME HEALTH SERVICES AND PERSONAL CARE AIDE SERVICES

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

RE: A.S.A.P. Home Nurses, Inc. - Medicaid Number 2680442
A.S.A.P. Home Care, Inc. - Medicaid Number 2544134

We were engaged to examine A.S.A.P. Home Nurses, Inc.'s and A.S.A.P. Home Care, Inc.'s (the Provider's) compliance with specified Medicaid requirements for service documentation, service authorization and provider qualifications related to the provision of home health nursing and home health aide services, and service documentation and provider qualifications for personal care aide services during the period of January 1, 2014 through December 31, 2016. In addition, we were engaged to examine potential duplicate claims for services paid to the two separate agencies (Medicaid numbers 2680442 and 2544134) for the same procedure code, recipient and service date during this period.

The Provider entered into agreements (the Provider Agreements) 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.

Our responsibility is to express an opinion on the Provider's compliance with the specified Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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. 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.

Basis for Disclaimer of Opinion

During the examination period, both A.S.A.P. Home Nurses, Inc. and A.S.A.P. Home Care, Inc. closed with no advance notice to ODM. We made repeated attempts to reach the agencies but no response was received. In addition, the agencies owner 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.

Disclaimer of Opinion

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 the Provider's overall compliance with the specified Medicaid requirements for the period of January 1, 2014 through December 31, 2016.

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 identified improper Medicaid payments in the amount of \$65,709.91. This finding plus interest in the amount of \$7,109.27 (calculated as of January 8, 2019) totaling \$72,819.18 is due and payable to the ODM upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the ODM, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27. In addition, if waste and abuse¹ are suspected or apparent, the ODM and/or the office of the attorney general will take action to gain compliance and recoup inappropriate or excess payments in accordance with rule 5160-1-27 or 5160-26-06 of the Administrative Code.

This report is intended solely for the information and use of the Provider, the ODM and other regulatory and oversight entities, 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

January 8, 2019

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 constitutes 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

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 home health services, waiver services or both. According to Ohio Admin Code § 5160-12-01(E), the only provider of home health services is a Medicare certified home health agency (MCRHHA) that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Waiver services can be provided by a MCRHHA, an otherwise-accredited home health agency or a non-agency nurse or personal care aide.

A.S.A.P. Home Nurses, Inc. was a MCRHHA with the Medicaid provider number 2680442. A.S.A.P. Home Care, Inc. was an otherwise accredited home health agency/waivered services organization and had two provider numbers: 2544134 and 2384174. The two agencies have the same tax identification number. In total, Ohio Medicaid paid the two agencies \$2,982,997 for fee-for-service and waiver services including nursing assessments, nursing services, home health aide services, speech, physical and occupational therapy, personal care aide and various preadmission screening system providing options and resources today (PASSPORT) waiver services.

Although the two agencies had three Ohio Medicaid numbers, our examination was limited to one number for each agency: 2680442 and 2544134. Only PASSPORT services were billed under the remaining number of 2384174 and this number became inactive on June 21, 2016. This examination did not include any PASSPORT services.

In addition, A.S.A.P. Home Care, Inc. lost its external accreditation on December 12, 2012. The Provider indicated that it merged its services under the number 2680442 – the number assigned to the owner's MCRHHA when it revalidated on February 26, 2016. However, the Provider continued to bill services under the number 2544134 until the Medicaid agreement for that number became inactive on July 15, 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 home health and waiver services as specified below that the Provider billed with dates of service from January 1, 2014 through December 31, 2016 and received payment.

Purpose, Scope, and Methodology (Continued)

We received the Provider's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all services with a paid amount of zero. We combined all services paid to the two agencies under the numbers 2680442 and 2544134.

Using the combined population, we ran a duplicate exclusion test using recipient identification, date of service, and procedure code as the matching variables and pay to provider number as the differing variable. A total 15 possible duplicate services (30 services in total) were identified. We extracted these 30 services which included two nursing assessment services and 28 personal care aide services to examine in their entirety (Potential Duplicate Exception Test).

For the remaining services in the examination, we used statistical sampling approach to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We extracted personal care aide services paid to A.S.A.P. Home Care, Inc. (2544134), and home health nursing, home health aide and personal care aide services paid to A.S.A.P. Home Nurses, Inc. (2680442) as separate populations. We then selected samples of each service category.

The sampling unit for the four samples is a recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service. We used the U.S. Department of Health and Human Services/Office of Inspector General's (HHS/OIG) RATSTATS² statistical program to calculate the overall sample sizes.

The population of nursing services was divided into four strata to improve sampling efficiency. The stratification was done using a modified cumulative frequency square root method³ and an error rate of 25 percent based on prior examinations of this service category. See Table 1.

For the home health aide services, an estimate of the population overpayment standard deviation was made using the standard deviation of the actual amount paid per service and a 48 percent error rate based on prior examinations of this service category. The estimate of error mean and standard deviation was done using the RATSTATS statistical program.

Each of the two personal care aide service populations was divided into strata to improve sampling efficiency. For services paid to A.S.A.P. Home Care, Inc. the population was divided into four strata and for services paid to A.S.A.P. Home Nurses, Inc. the population was divided into two strata. The stratification was done using a modified cumulative frequency square root method and an error rate of 48 percent based on prior examinations of this service category.

The calculated sample sizes for the four samples are shown in **Table 1**.

Table 1		
Home Health Nursing Services Sample (2680442)		
Universe/Strata	Population Size	Sample Size
RDOS Paid Less Than \$50	1,050	208

² RAT-STATS is a free statistical software package that providers can download to assist in a claims review. The package, created by OIG in the late 1970s, is also the primary statistical tool for OIG's Office of Audit Services.

³ Dalenius-Hodge Rule – see Sampling of Populations-Methods and Applications, 4th Ed. by Paul S. Levy and Stanley Lemeshow, Wiley Series in Probability and Statistics, pp. 179-183

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Home Health Nursing Services Sample (2680442)		
Universe/Strata	Population Size	Sample Size
RDOS Paid Between \$50 and \$54.99	1,697	410
RDOS Paid Between \$54.99 and \$74.99	217	67
RDOS Paid \$75 and Over	392	167
Total:	3,356	852
Home Health Aide Services Sample (2680442)		
Universe/Strata	Population Size	Sample Size
Home Health Aide Services RDOS	10,754	439
Total:	10,754	439
Personal Care Aide Services Sample I (2680442)		
Universe/Strata	Population Size	Sample Size
RDOS Paid Less Than \$75	503	158
RDOS Paid \$75 and Over	353	153
Total:	856	311
Personal Care Aide Sample II (2544134)		
Universe/Strata	Population Size	Sample Size
RDOS Paid Less Than \$50	3,327	86
RDOS Paid Between \$50 and \$74.99	3,939	151
RDOS Paid Between \$75 and \$124.99	1,251	89
RDOS Paid \$125 and Over	968	94
Total:	9,485	420

We then obtained the detailed services for the sampled RDOS. A total of 2,408 services were selected for examination in the one exception test and four samples.

Purpose, Scope, and Methodology (Continued)

A notification 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. We reviewed all documentation submitted by the Provider for compliance.

During the examination, we contacted the Provider to request additional information; however, the phone number was no longer in service. We also sent communication to the Provider via electronic mail and did not receive a response.

We noted in the Medicaid Information Technology System (MITS) that the Provider's Medicaid Agreements were terminated on October 22, 2018.

Results

While certain services had more than one error, only one finding was made per service. The non-compliance and basis for our findings is discussed below in more detail.

Potential Duplicate Exception Test

We examined 30 services and found 15 duplicate billings along with 10 additional errors. The 15 duplicate payments were made to A.S.A.P. Home Care, Inc. (2544134). We identified 25 errors in total resulting in an improper payment of \$1,087.92.

Nursing Services Sample

We examined 1,018 services and found 484 errors resulting in an improper payment of \$17,088.42.

Home Health Aide Services Sample

We examined 470 services and found 329 errors resulting in an improper payment of \$7,543.69.

Personal Care Aide Services Sample I (2680442)

We examined 419 services and found 219 errors resulting in an improper payment of \$16,926.71.

Personal Care Aide Services Sample II (2544134)

We examined 501 services and found 335 errors resulting in an improper payment of \$23,063.17.

A. Provider Qualifications

Nurses, Home Health Aides and Personal Care Aides

We compared the names of the nurses and aides that rendered services in the samples and exception test to the Office of Inspector General Exclusion database and the Ohio Department of Medicaid Exclusion or Suspension List. We were unable to test three names – one was incomplete and two were illegible. In all we tested 139 aides and 22 nurses.

We found no instance of a nurse or an aide being on either the exclusion or the suspension list.

A. Provider Qualifications (Continued)

Nurses

According to Ohio Admin. Code § 5160-12-01(G), home health nursing requires the skills of and is performed by either a registered nurse (RN) or a licensed practical nurse (LPN) at the direction of an RN.

We identified 13 RNs and nine LPNs who rendered services. We verified via the Ohio e-License Center website that their professional licenses were current and valid on the first date of service in the sample and were active during the remainder of the examination period.

We were unable to find a nursing license on the website for two nurses. In addition, there was one incomplete name and one eligible name that we could not match. We attempted to obtain additional information to identify possible name changes or full names; however, the agencies had closed and we received no response to our inquiries. We did not identify any errors for these four names due to the incomplete information.

We found no instances of non-compliance with the nursing licenses for the 22 names tested.

Personal Care Aides

In order to submit a claim for reimbursement, all individuals providing personal care aide services must obtain and maintain first aid certification from a class this is not solely internet-based and that includes hands-on training by a certified first aid instructor and a successful return demonstration of what was learned in the course. See Ohio Admin. Code §§ 5160-46-04(B)(6)(a)(ii), 5123:2-9-56(C)(3) and 5160-50-04(B)(6)(a)(ii).

We reviewed personnel records for the 99 personal care aides who rendered services in the exception test and two samples. We found 52 personal care aides lacked first aid certification and 22 personal care aides lacked first aid certification for a span of time.

We also noted that there were aides who received their first aid training from organizations that were exclusively online based. We did not identify errors for this non-compliance.

Potential Duplicate Exception Test

We examined 28 personal care aide services and found 10 services rendered by an aide who lacked first aid certification on the date of service. These 10 errors are included in the improper payment of \$1,087.92.

Personal Care Aide Services Sample I (2680442)

We examined 419 services and found 206 services rendered by an aide who lacked first aid certification on the date of service. These 206 errors are included in the improper payment of \$16,926.71.

Personal Care Aide Services Sample II (2544134)

We examined 501 services and found 309 services rendered by an aide who lacked first aid certification on the date of service. These 309 errors are included in the improper payment of \$23,063.17.

B. Authorization to Provide Services

Plans of Care

All home health providers are required by Ohio Admin. Code § 5160-12-03 to create a plan of care for recipients and the plan is required to be signed by the recipient's treating physician. Home health providers must obtain the completed, signed and dated plan of care prior to billing the ODM for the service.

Nursing Sample

We examined 1,018 services and found the following errors:

- 249 services in which the plan of care was not signed prior to claim submission;
- 57 services in which the plan of care did not authorize the service, frequency and/or scope;
- 11 services in which there was no plan of care to cover the date of service; and
- 1 service in which the plan of care was not signed by a physician.

These 318 errors are included in the improper payment of \$17,088.42.

Home Health Aide Services Sample

We examined 470 services and found the following errors:

- 157 services in which the plan of care was not signed prior to claim submission;
- 113 services in which the plan of care did not authorize the service, frequency and/or scope;
- 6 services in which there was no plan of care to cover the date of service; and
- 2 services in which the plan of care was not signed by a physician.

These 278 errors are included in the improper payment of \$7,543.69.

C. Service Documentation

The MCRHHA must maintain documentation of home health services provided that includes, but is not limited to, clinical records and time keeping that indicate date and time span of the service and the type of service provided. See Ohio Admin. Code § 5160-12-03 For waiver 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 dated signatures of the provider and the recipient or authorized representative verifying the service delivery upon completion of service delivery. See Ohio Admin. Code §§ 5160-45-10 and 5123:2-9-56(E)(2)

During part of the examination period, providers of home health nursing and aide services received a base rate for any portion of the first 60 minutes of home health services delivered. After July 1, 2015, providers were required to render 35 to 60 minutes of services to receive the base rate. Ohio Admin. Code § 5160-12-05(C)(2)

For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units.

We determined if service documentation was maintained, contained the in and out time of the covered service and a description of services rendered or included the tasks performed and if billed units were supported. For waiver services we tested documentation for inclusion of the dated signatures of the rendering provider and recipient or their authorized representative.

C. Service Documentation (Continued)

Potential Duplicate Exception Test

We examined 30 services and found 15 services with no documentation to support the Medicaid payment. These 15 errors are included in the improper payment of \$1,087.92.

Nursing Services Sample

We examined 1,018 services and identified the following errors:

- 47 services in which there was no documentation to support the Medicaid payment;
- 9 services in which supervisory visits were billed as skilled visits;
- 9 services in which the documentation did not contain description of the services provided;
- 8 services after July 1, 2015 in which the base rate was billed but documented duration was less than 35 minutes;
- 7 services in which the service documentation did not indicate a time span; and
- 2 services in which the units billed exceeded the documented duration.

These 82 errors are included in the improper payment of \$17,088.42.

Home Health Aide Services Sample

We examined 470 services and found 50 services with no documentation to support the Medicaid payment and one service in which the units billed exceeded the documented duration. These 51 errors are included in the improper payment of \$7,543.69.

Personal Care Aide Service Sample I (2680442)

We examined 419 services and found 10 services with no documentation to support the Medicaid payment, one service with no identification of task rendered, and two services in which the units billed exceeded the documented duration. These 13 errors are included in the improper payment of \$16,926.71.

Personal Care Aide Services Sample II (2544134)

We examined 501 services and found 15 services with no documentation to support the Medicaid payment, 10 services in which the units billed exceeded the documented duration, and one service where one continuous service was rendered but was billed as two separate visits. These 26 errors are included in the improper payment of \$23,063.17.

Official Response

The Provider was afforded an opportunity to respond to this examination report. We received no response from the Provider to the report. No exit conference was held to discuss the results of this examination and no official response was submitted to the results noted above.

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OHIO AUDITOR OF STATE KEITH FABER



A.S.A.P. HOME NURSES, INC.

MEDINA 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
FEBRUARY 21, 2019**