



Dave Yost • Auditor of State

THIS PAGE INTENTIONALLY LEFT BLANK

**MARY L. GATES
CUYAHOGA COUNTY**

TABLE OF CONTENTS

Title	Page
Independent Auditor's Report	1
Compliance Examination Report	3
Recommendation: Provider Qualifications.....	4
Recommendation: Service Documentation	5
Provider Response.....	5

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

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

Mary L. Gates
16156 Forest Hills Boulevard
East Cleveland, Ohio 44112

RE: *Medicaid Provider Number 2195440*

Dear Ms. Gates:

We examined your (the Provider's) compliance with specified Medicaid requirements for provider qualifications, service documentation, and service authorization related to the provision of personal care aide services during the period of January 1, 2009 through December 31, 2011. We tested service documentation to verify that there was support for the date of service, the procedure code, and the duration of service paid by Ohio Medicaid. In addition, we tested your service documentation to determine if it contained the required elements. We also examined the all services plans to determine if you were authorized to render personal care aide services, and reviewed your provider qualifications. The accompanying Compliance Examination Report identifies the specific requirements examined.

Provider's Responsibility

The Provider entered into an agreement with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients (the Provider Agreement). The Provider Agreement outlines the responsibility to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, and the regulations and policies set forth in the Medicaid Handbook including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Therefore, the Provider is responsible for complying with the requirements and laws outlined by the Medicaid program.

Auditor's Responsibility

Our responsibility is to express an opinion and report on the Provider's compliance with the specified Medicaid requirements based on our examination. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code and conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and, accordingly, included examining, on a test basis, evidence supporting the Provider's compliance with those Medicaid requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. However, our examination does not provide a legal determination on the Provider's compliance with the specified Medicaid 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.

Bases for Qualified Opinion

Our examination disclosed that in a material number of instances the Provider did not obtain original signatures of the recipient's authorized representative upon completion of service delivery. There were 148 instances where the signature of the recipient's authorized representative was photocopied on the service documentation. We also noted the Provider did not have evidence of first aid certification from January 1, 2009 to March 11, 2011.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Provider has complied, in all material respects, with the aforementioned requirements pertaining to provider qualifications, service documentation, and service authorization for the period of January 1, 2009 through December 31, 2011.

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 found the Provider was overpaid by Ohio Medicaid for services rendered between January 1, 2009 and December 31, 2011 in the amount of \$16,124.22. This finding plus interest in the amount of \$1,323.73 totaling \$17,447.95 is due and payable to the ODM upon its adoption and adjudication of this examination report. When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,¹ any payment amount in excess of that legitimately due to the provider will be recouped by ODM through its Fiscal Operations, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B)

This report is intended solely for the information and use of the Ohio Department of Medicaid, the Medicaid Fraud Control Unit of the Ohio Attorney General's Office, the U.S. Department of Health and Human Services/Office of Inspector General, and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.



Dave Yost
Auditor of State

July 21, 2014

¹ "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "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 FOR MARY L. GATES

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 diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. See Ohio Admin. Code § 5160-1-01(A) According to Ohio Admin. Code § 5160-1-17.2(D), 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 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(E)

During the examination period, the Provider furnished personal care aide services and received reimbursement of \$223,002.32 for 2,070 services rendered on 1,087 recipient dates of service during the examination period. A recipient date of service is defined as all services for a given recipient on a specific date of service. The Provider rendered services to one Medicaid recipient on the Ohio Home Care Waiver and billed for services on 1,087 days out of the 1,095 days in the examination period. The recipient is a family member of the Provider and resides with the Provider. In addition, the Provider is the legal guardian of the recipient.

According to the Medicaid Information Technology System (MITS), the Provider also operates under the name of MGDB Corporation. The Ohio Secretary of State lists M.G.D.B. as a for profit corporation for which the Provider was an incorporator. The corporation was cancelled on February 6, 2007 by the Ohio Secretary of State for failure to file necessary corporate franchise tax reports or pay taxes within the time prescribed by law. In addition, the Provider also operated Unique Catering Services in which she provided home delivered meals. The structural review, a tool used by ODM to monitor waiver providers, conducted on March 2, 2010, identifies the Provider as Unique Catering Services. The Provider stated that Unique Catering Services was dissolved.

Ohio Medicaid recipients may be eligible to receive personal care aide services that assist the recipient with activities of daily living such as bathing and dressing, general homemaking activities, household chores, personal correspondence, and accompanying or transporting the recipient to medical appointments, or running errands on behalf of the recipient. See Ohio Admin. Code § 5160-46-04(B)(1) The all services plan is the service coordination and payment authorization document that identifies specific goals, objectives and measurable outcomes expected as a result of services provided. See Ohio Admin. Code § 5160-45-01(E)

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 an examination of personal care aide services the Provider rendered to one Medicaid recipient during the period of January 1, 2009 through December 31, 2011 and received payment.

We received the Provider's claims history from the Medicaid Management Information System (MMIS) and the MITS database of services billed to and paid by Ohio's Medicaid program. We selected a random sample based on recipient dates of service to facilitate a timely and efficient examination of the Provider's services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We then obtained the detailed services for all of the selected recipient dates of service and tested these services during fieldwork.

An engagement letter was sent to the Provider May 5, 2014 setting forth the purpose and scope of the examination. An entrance conference was held on May 8, 2014. During the entrance conference the Provider described her documentation practices and processes for submitting billings to the Ohio Medicaid program. Our fieldwork was performed following the entrance conference. We reviewed the Providers records for service documentation and provider qualifications and reviewed the all services plans for service authorization.

Results

We reviewed a statistical sample of 562 services provided on 294 unique recipient dates of service and identified 153 errors. The non-compliance and the basis for any finding are described below in more detail.

A. Provider Qualifications

Prior to rendering services, personal care aides are required to complete a competency evaluation program and maintain a current first aid certification. Ohio Admin. Code § 5101:3-46-04(B)(7)(a)(i) and (ii)

The Provider successfully completed a competency evaluation program prior to becoming a Medicaid provider. We noted the Provider did not have evidence of first aid certification from January 1, 2009 to March 11, 2011. The Provider did have first aid certifications completed in March 2011 and March 2013.

Recommendation

The Provider should develop and implement a tracking log to document expiration dates for certifications so that renewals are obtained prior to any lapse. In addition, the Provider should maintain all continuing education certificates for a period of six years or until any audit initiated within the six year period is completed. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

Statistical Sample

Ohio Admin. Code § 5101:3-46-04(B)(8)(g) states that providers must maintain documentation that shows tasks performed or not performed, the arrival and departure times, and the dated signatures of the personal care aide and recipient or authorized representative verifying the service delivery upon completion of service delivery.

Our review of the statistical sample of 562 paid services found the following errors:

- 148 services where the recipient's authorized representative's signature on the service documentation was a photocopy;

- 4 services in which neither the recipient nor a representative signed verifying service delivery; and
- 1 service with no documentation because the documented time in and out for the second shift were the same as the time in and time out for the first shift on the same day.

We reviewed the all services plans in effect during our examination period and found no provision for a photocopied signature. These 153 errors resulted in an overpayment of \$16,124.22.

Recommendation:

The Provider should maintain clinical records in a manner that includes all required elements. The records should include the signature of the recipient or authorized representative upon completion of service delivery and the ASP should identify the approved signature method. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. All Services Plans

In order to submit a claim for reimbursement, all individuals providing personal care aide services must be identified as the provider on the all services plan that is prior-approved by the designated case management agency. Ohio Admin. Code § 5101:3-46-04(B)(5).

We reviewed the all services plans in effect for our examination period and found the Provider was authorized to render personal care aide services for this period. We also noted the Provider billed only the authorized procedure code.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on October 15, 2014, and the Provider was afforded an opportunity to respond to this examination report.

The Provider responded that she forwarded funds to her accountant to pay taxes for MGDB, Inc. but later learned this individual had not remitted her funds to meet the tax obligation. The Provider went on to explain that after she learned of the unpaid taxes, she paid the outstanding amount due for MGDB, Inc.

AOS response: We did not examine MGDB, Inc. and only included reference to it as background information since the Provider operated as a Medicaid provider under this corporate name. We performed no testing of the Provider's response.

This page intentionally left blank.



Dave Yost • Auditor of State

MARY L GATES

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
NOVEMBER 06, 2014**