



Dave Yost • Auditor of State

THIS PAGE INTENTIONALLY LEFT BLANK

**PROVIDENCE HOME HEALTH CARE, INC.
CUYAHOGA COUNTY**

TABLE OF CONTENTS

Title	Page
Independent Auditor's Report	1
Compliance Examination Report	3
Recommendation: Service Documentation.....	5
Recommendation: Plans of Care	6
Recommendation: All Services Plan Authorized Units	6
Provider Response.....	7

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

Independent Auditor's Report

Paul O'Connor, President
Providence Home Health Care, Inc.
8445 Bainbrook Drive
Chagrin Falls, Ohio 44023

RE: *Medicaid Provider Number 2443109*

Dear Mr. O'Connor:

We examined Providence Home Health Care, Inc. (the Provider) for compliance with specified Medicaid requirements for service documentation, service authorization, and provider qualifications related to the provision of home health nursing, home health aide and personal care aide services during the period of January 1, 2008 through December 31, 2010. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Management is responsible for Providence Home Health Care's compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination. The accompanying Compliance Examination Report identifies the specific requirements examined for compliance.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 426 home health nursing and 1,003 home health aide services and identified 353 errors relating to non-compliance with the specified requirements. We found the Provider was overpaid by Ohio Medicaid for nursing and home health aide services between January 1, 2008 and December 31, 2010 in the amount of \$1,161.73. In addition, we found 1,508 personal care aide service units in which the Provider was reimbursed for units that exceeded the authorized levels resulting in an overpayment of \$5,952.24. A total finding of \$7,113.97 plus interest in the amount of \$666.37 totaling \$7,780.34 is due and payable to the Ohio Department of Medicaid (ODM) upon ODM's adoption and adjudication of this examination report. After adjudication by ODM, additional interest may be assessed until the finding and interest is paid in full.

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, Fiscal Operations, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B). Therefore, a copy of this report will be forwarded to ODM because it is the state agency charged with administering Ohio's Medicaid program. ODM is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting ODM's Office of Legal Services at (614) 752-3631.

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 constitute an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5160-1-29(A)

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.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

January 17, 2014

Compliance Examination Report for Providence Home Health Care, Inc.

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. 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)

The Auditor of State performs examinations to assess provider compliance with reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care and medical necessity. 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)

The Provider's Ohio Medicaid Provider number is 2443109 and the Provider is a Medicare certified home health agency located in Cuyahoga County, Ohio, that furnishes fee-for-service and waiver services to Ohio Medicaid recipients. The Provider received \$3,995,064 for 100,795 paid services - consisting of \$2,754,165 for 76,970 home health aide services, \$1,037,846 for 20,244 personal care aide services, \$189,562 for 3,392 home health nursing services, \$12,626 for 177 physical therapy services, and \$865 for 12 occupational therapy services. These services were rendered on 93,013 recipient dates of service (RDOS) during the examination period. A recipient date of service is defined as all services for a given consumer on a specific date of service. In addition, the Provider was paid \$14,949,450 for Passport personal care, homemaker, and independent living assistance waiver services, which are administered through the Ohio Department of Aging, during the same period.

Home health services are rendered by Medicare certified home health agencies and must be authorized within the recipient's plan of care. See Ohio Admin. Code § 5160-12-01(D) The plan of care must indicate the type of service to be provided as well as the frequency of the service and must be reviewed and signed by the physician at least every 60 days. Ohio Admin. Code § 5160-12-03(B)(3) Home health nursing services are performed by a registered nurse, or a licensed practical nurse under the supervision of registered nurse, who is employed or contracted by the certified agency. See Ohio Admin. Code § 5160-12-01(F)(1) Ohio home health nursing services must be performed within the nurse's scope of practice. See Ohio Admin. Code § 5160-12-01(F)(1)(a).

Home health aides assist the consumer with activities of daily living such as bathing, dressing, and household chores. See Ohio Admin. Code § 5160-12-01(F)(2)(e) While home health aide services include assisting the consumer with activities of daily living, they also help the consumer maintain a certain level of health in order to remain in the home setting. See Ohio Admin. Code § 5160-12-01(F)(2)(e)

Qualifying personal care aide services are rendered to consumers in an ODM administered waiver program. Personal care aides assist the consumer with activities of daily living such as bathing, dressing, household chores and accompanying the consumer to medical appointments. See Ohio Admin. Code § 5160-46-04(B)

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 Medicaid fee-for-service home health nursing and home health aide services along with waiver personal care aide services for which the Provider rendered services and received payment during the period of January 1, 2008 through December 31, 2010. We also tested for duplication with PASSPORT waiver services when the recipient received the same type of service through both fee-for-service and this waiver program.

We received the Provider's paid claims history from the Medicaid Management Information System (MMIS) database of services billed to and paid by Ohio's Medicaid program, net of any adjustments, and identified two subpopulations. The first subpopulation (primary subpopulation) consisted of fee-for-service home health nursing and home health aide services. The second subpopulation (combination subpopulation) was fee-for-service home health nursing and home health aide services billed for the same recipient on the same date as personal care and homemaker services paid through the PASSPORT waiver program.

From the two subpopulations, we selected a statistical random sample based on 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). A simple random sample was selected from each subpopulation, resulting in 29 consumers from the primary subpopulation and 30 recipients from the combination subpopulation. The resulting recipient samples were then matched against their respective RDOS files to select the RDOS associated with the sample recipients. The resulting recipient sample RDOS subpopulations were then stratified by recipient and 30 RDOS were randomly selected for each recipient using stratified random sampling. The resulting samples were then stratified by recipient and 30 RDOS were randomly selected for each recipient. If a recipient had fewer than 30 RDOS, all RDOS for that recipient were selected.

A total of 741 RDOS were selected from the primary subpopulation and 682 RDOS from the combination subpopulation. We reviewed service documentation including progress notes and plans of care for the services in both samples. In addition, we verified whether there was sufficient documentation for services being billed to both fee-for-service and PASSPORT for the combination sample.

We also interviewed key agency personnel, reviewed agency procedures, and selected four individuals to verify provider qualifications. Our examination of personal care services was limited to compliance with service authorization in which we compared the units billed to and paid by Ohio Medicaid to the units authorized in the all services plans.

An engagement letter was sent to the Provider on February 22, 2013, setting forth the purpose and scope of the examination. Our fieldwork was performed between March 7, 2013 and March 11, 2013. During the exit conference, which was held on January 3, 2014, the Provider submitted additional documentation which was reviewed for compliance.

Results

We examined a total of 426 home health nursing and 1,003 home health aide services and identified 353 errors relating to non-compliance with the specified requirements. We identified overpayments of \$1,161.73 as a result of 38 of these errors which were related to service authorization and service

documentation. We also identified 1508 units in error in our test of personal care aide service units paid to those authorized on the all services plans. We identified overpayments of \$5,952.24 as a result of these 1508 units in error.

While certain services had more than one error, only one finding was made per service. The basis for our findings is discussed below in more detail. We did not project a finding beyond those found in our sample because we do not project findings from a sampling when less than 10 percent of the services examined in the sample have error and the amount of the errors found in the sample is less than \$1,000.

A. Service Documentation

The certified agency must maintain documentation of services provided to include clinical records and time keeping records that indicate time span of the service and the type of service provided. See Ohio Admin Code § 5101:3-12-03(C)(4)

Our review of the two samples found 19 services with no documentation to support the service billed to and paid by Ohio Medicaid. Seventeen of these 19 services were related to the Provider billing for services to the wrong recipient Medicaid number. The services were rendered to one recipient but billed under another recipient's Medicaid number.

We also noted one instance in which the service documentation did not indicate the time span of the service. In our examination of services in the combination sample, we noted instances in which the units billed and paid by the PASSPORT waiver were greater than units of service documented. No overpayment was identified as the scope of our examination was limited to fee-for-service and the Ohio Department of Aging has a process for auditing services paid through the PASSPORT waiver.

These 20 errors are included in the overpayment of \$1,161.73.

Recommendation

The Provider should improve its procedures for billing services to prevent further instances of billing for undocumented services. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future potential findings.

B. Service Authorization

Plans of Care

The recipient's plan of care may be used to certify medical necessity for home health services if all of the data elements specified for home health services unrelated to an inpatient hospital stay are included and the plan of care contains the physician's signature, physician's credentials and the date of the physician's signature. See Ohio Admin Code § 5101:3-12-01(B) The Medicare Benefit Policy Manual contains the requirements for Medicare certified home health agencies and states that the plan of care must be reviewed and signed by the physician who established the plan of care, in consultation with home health agency professional personnel, at least every 60 days. Each review of a recipient's plan of care must contain the signature of the physician and the date of review.

Our examination found 18 services with no plan of care that covered the date of service in the sample. Seventeen of these errors were related to billing services to the wrong recipient Medicaid number. These 18 errors are included in the overpayment of \$1,161.73.

In addition, we found 315 services for which the plan of care did not contain the date of the physician's review as required. These 315 errors were related to 63 plans of care. There were five different physicians associated with these invalid plans of care with one physician associated with 49 of the 63 (78 percent). At the exit conference, the Provider submitted attestations signed by each of the five physicians indicating that the plans of care were signed during the corresponding dates of care.

Recommendation

The Provider should ensure that each plan of care includes all required elements including the physician's signature, physician's credentials and the date of the physician's signature. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future potential findings.

All Services Plans

Personal care aide services are authorized in the all services plan, which lists all services approved for the consumer under the waiver program, including the type of service, frequency and duration, and it specifies which provider can render services and subsequently bill Ohio Medicaid for those services. The number of hours billed cannot exceed the number of hours approved by a case manager in the all services plan. Ohio Admin. Code § 5101:3-46-04(B)(2) Ohio Medicaid rules specify that personal care aides furnishing services in excess of those specified in the all services plan are not reimbursable. Ohio Admin. Code § 5101:3-46-04(B)(2)

We found eight units in which personal care aide hours reimbursed exceeded the approved hours per the all services plans. In addition, there were 1,500 units where the services were not authorized by an all services plan. The overpayment identified from the 1,508 units in error is \$5,952.24.

We also noticed that four out of five recipients were authorized for both waiver personal care aide and fee-for service home health aide services, but only the waiver procedure code was billed. In all cases, the waiver service was overbilled. However, the number of units billed was still under the combined authorization levels for the two codes. This did not result in an overpayment as the rate of reimbursement is the same for both procedure codes.

Recommendation

The Provider should ensure services are provided in accordance to the all services plans and that services in excess of those specified in the all services plan are not submitted to Ohio Medicaid for reimbursement. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future potential findings.

C. Staff Qualifications

Home health nursing requires the skills of and is performed by a registered nurse, or a licensed practical nurse at the direction of a registered nurse. The nurse performing the service must be employed or contracted by the Medicaid certified home health agency providing the service. The nursing service must be performed within the nurse's scope of practice as defined in Chapter 4723 of the Ohio Revised Code and rules adopted there under. Home health aides are also

employed by the certified agency providing the home health service and are required to successfully complete a competency evaluation prior to rendering services. In addition, the home health aide must receive at least 12 hours of in-service training during each 12-month period. See Ohio Admin. Code § 5101:3-12-01

We interviewed key personnel to gain understanding of the processes used to track staff licensure and certifications. The Provider conducts its own in-service trainings and annual in-service trainings are often done for groups, but may also be scheduled for individuals. The Provider has a training calendar, maintains sign-in sheets, and has a tracking system based on a manual check off list of these trainings for each aide. Competency evaluations are housed in the aide's files with verifications marked that the skill levels were met.

We reviewed two nurse's personnel files and we verified their professional licensures against the state board of nursing data from the Ohio e-License Center. We found both maintained a current license and were licensed during the examination period.

We reviewed personnel files for two home health aides and found that both had evidence of a satisfactory competency evaluation conducted by the Provider and each file contained documentation of completed annual in-service trainings.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on November 22, 2013, and the Provider was afforded an opportunity to respond to this examination report

The Provider responded that its assets were sold on December 31, 2011 and the agency is currently being operated by a new owner. During the years in review, the Provider had a change in key leadership positions resulting in complete turnover within the office structure. The Provider reported that it took steps to rectify issues identified. Regarding the issue with physicians omitting date of signature on the plan of care, the Provider put in place a review process for receiving incoming mail and verifying dates and signatures of the physicians. The Provider also educated staff and, on a quarterly basis, reviewed three percent of its non-skilled charts for errors or omissions.

In reference to the situation where services were billed under another client's billing number, the Provider explained that the prior system verified if coverage was current but did not verify the recipient's name. The new MITS portal system addresses this issue. Regarding the all services plan errors, the Provider stated that it had discussed the issue with the case manager and noted that one of the recipients was seen by the agency for several years. The Provider indicated it educated agency staff on the importance of reviewing the updated all services plan and to report any discrepancies to the case manager. Further education was given regarding the review of start and stop dates of services on the all services plan.

This page intentionally left blank.



Dave Yost • Auditor of State

PROVIDENCE HOME HEALTH CARE, INC

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
FEBRUARY 6, 2014**