



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



## Independent Accountants' Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Medicaid (ODM), on the Medicaid ICF-IID Cost Report of Voca Corporation of Ohio DBA 1818 Sullivant (hereafter referred to as the Provider) for the period January 1, 2016 through December 31, 2016. The Provider's management is responsible for preparing the Medicaid ICF-IID Cost Report (Cost Report). The sufficiency of these procedures is solely the responsibility of ODM. 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.

Unless otherwise specified, Voca Corporation of Ohio provided all reports used in the procedures and this report only describes exceptions exceeding \$500 and resulting in decreased costs.

### **Occupancy and Usage**

1. We compared the Medicaid and non-Medicaid patient days from the Monthly Census Summary Report to *Schedule A-1, Summary of Inpatient Days*. We reported variances in Appendix A.
2. We selected five residents' medical records and compared the total days of care for December 2016 with the inpatient days on the daily census records and *Schedule A-1*. We reported adjustment in Appendix A as total patient days were greater than reported. We found that the Provider did not include any waiver respite days as Medicaid or Medicare.
3. We compared the number of reimbursed Medicaid days per the Quality Decision Support System (QDSS) with the total Medicaid days on *Schedule A-1*. We found no variances.

### **Medicaid Paid Claims**

1. We selected paid claims from QDSS for the five residents selected in the Occupancy and Usage procedure for December 2016. We compared the reimbursed days to the resident's medical records. We found no variances.

We compared the Monthly Census Summary report to the general requirements of CMS Publication 15-1, Chapter 23; Ohio Admin. Code §§ 5123:2-7-12 and 5123:2-7-08(C) to (I) for an occupied or bed hold day; and Ohio Admin. Code § 5123:2-7-15 for the payment adjustment requirements for resident's admission, discharge or death. We found no differences.

### Knowledge of Matters Outside Agreed-Upon Procedures

As separate matters that came to our attention, we noted that the Provider had a Monthly Census Summary showing a total number of days per month for each resident; however, it did not have detailed medication administration records for the full year that supported the summaries for the five selected residents.

**Recommendation:** We recommend ODM further review this issue and determine if any improper payment was made to this Provider.

### Revenue

1. We compared the Revenue Ledger to *Attachment 1, Revenue Trial Balance* and to the Appendix to Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1. We found no differences.
2. We scanned the Revenue Ledger for any revenue offsets or applicable credits which were not reported on *Attachment 2, Adjustments to Trial Balance; Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; or Schedule C, Indirect Cost Care Center* exceeding \$500 in accordance with CMS Publication 15-1, Chapters 1, 6, and 8. We did not identify any revenue offsets/applicable credits.

### Non-Payroll Expenses

1. We compared all non-payroll expenses reported on *Schedule B-1, Schedule B-2* and *Schedule C* to the Detailed General Ledger and the Trial Balance. We found no variances.
2. We scanned the Detailed General Ledger and selected 20 non-payroll expenses that were reported on *Schedule B-1; Schedule B-2; Schedule C; and Exhibit 3, Home Office Trial Balance*. We inspected supporting documentation and compared the allocation and cost classification to Ohio Admin. Code § 5123:2-7 and CMS Publication 15-1. We reported reclassifications in Appendix A.
3. We scanned for any unreported contract costs which would require reporting on *Schedule C-3, Costs of Services from Related Parties*. We reported variances in Appendix A.
4. We compared the Home Office Combined Trial Balance and allocation methodology for Home Office costs on *Schedule B-1, Schedule B-2* and *Schedule C* to Ohio Admin. Code § 5123:2-7 and CMS Publication 15-1, Section 2150. We found no reclassifications or adjustments resulting in decreased costs exceeding five percent.
5. We compared the 2016 non-payroll costs reported on *Schedule B-1, Schedule B-2* and *Schedule C* by chart of account code to similar reported costs in 2015 and obtained the following Provider's explanations for five variances that increased by more than five percent and \$500:
  - Medical Supplies - Medicare Non-Billable costs increased on *Schedule B-1* due to increase in services;
  - Other Direct Care costs increased on *Schedule B-2* due to new Medicaid Director contract;
  - Food In-Facility costs increased on *Schedule C* due to the cost of feeding clients;
  - Security Services costs increased on *Schedule C* due to increase in services related to security issues in the surrounding area; and
  - Dues, Subscriptions and Licenses costs increased on *Schedule C* due to rate increases.

## Property

1. We compared the procedures regarding capitalization of fixed assets used for preparing *Schedule D, Capital Cost Center; Schedule D-1, Analysis of Property, Plant and Equipment; and Schedule D-2, Capital Additions/Deletions* with Ohio Admin. Code § 5123:2-7-18. We found no inconsistencies.
2. We compared capital assets and corresponding depreciation on *Schedule D* and *Schedule D-1* to the Fixed Asset and Depreciation Listing. We found no variances exceeding \$500.
3. We selected three additions reported on *Schedule D-1* and *Schedule D-2* and compared the cost basis, useful life and depreciation expense to Ohio Admin. Code § 5123:2-7-18. We found no variances exceeding \$500. We also confirmed the assets were used in residential care.
4. We inspected the building lease agreement and compared the parties in the agreement with ownership of the Provider and determined they were non-related party leases that met the requirements of FASB 13 and Ohio Admin. Code § 5123:2-7-24(B).

We determined the Provider maintained a leased vehicle beyond its lease term and reported the yearly tax and registration costs on *Schedule D-1*; however the variance did not exceed \$500.

5. We did not compare the renovation and financing costs in the Non-extensive Renovation Letter to *Schedule D-1* as there were no costs recorded in *Schedule E, Balance Sheet*.
6. We did not compare transportation expenses to CMS Publication 15-1 as no transportation costs were reported on *Schedule D-1*.

## Payroll

1. We compared all salary, fringe benefits, payroll tax entries and hours worked on the Detailed General Ledger and Trial Balance to *Schedule B-1, Schedule B-2, Schedule C* and *Schedule C-1, Administrator's Compensation*. We found no differences greater than \$500.
2. We selected five employees reported on *Schedule B-1, Schedule B-2, Schedule C* and *Exhibit 3* and compared the organizational chart and job descriptions to the schedule in which each employee's salary and fringe benefit expenses were reported. We confirmed the payroll costs were properly classified, allocated and allowable in accordance with Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1, Chapter 9 and Section 2150.
3. We compared the 2016 payroll costs reported on *Schedule B-1, Schedule B-2, Schedule C, Schedule C-1* and *Schedule C-2* by chart of account code to similar costs reported in 2015 and found no payroll variances that increased by more than five percent and \$500.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Medicaid ICF-IID Cost Report. 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.

Voca Corporation of Ohio DBA 1818 Sullivant  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures

This report is intended solely for the information and use of the Provider and the Ohio Department of Medicaid, and is not intended to be, and should not be used by anyone other than the specified parties.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

January 29, 2019

**Appendix A**  
**Voca Corporation of Ohio DBA 1818 Sullivant**  
**2016 Medicaid ICF-IID Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Schedule A-1 Summary of Inpatient Days</b>				
5. May - Authorized Days (2)	246	1	247	To correct authorized days
8. August - Authorized Days (2)	248	1	249	To correct authorized days
12. December - Therapeutic Leave Days (4)	1	1	2	To correct Therapeutic Leave Days
<b>Schedule B-1 Other Protected Costs</b>				
2. Medical Supplies - medicare non billable - 6001 - Other/Contract Wages (2)	\$ 2,035	\$ (1,057)	\$ 978	To reclassify unsupported cost to non-federal reimbursable costs.
<b>Schedule C Indirect Care Cost Center</b>				
7. Food In-Facility - 7040 - Other/Contract Wages (2)	\$ 22,736	\$ (503)	\$ 22,233	To reclassify unsupported cost to non-federal reimbursable costs.
24. Program Supplies - 7125 - Other/Contract Wages (2)	\$ 2,625	\$ (649)	\$ 1,976	To reclassify unsupported cost to non-federal reimbursable costs.
68. Other Non-Reimbursable - Specify Below - 9725 - Other/Contract Wages (2)	\$ -	\$ 1,057		To reclassify unsupported cost to non-federal reimbursable costs.
		\$ 503		To reclassify unsupported cost to non-federal reimbursable costs.
		\$ 649	\$ 2,209	To reclassify unsupported cost to non-federal reimbursable costs.
<b>Schedule C-3 Cost of Services From Related Parties</b>				
8. Franklin County Board of DD	\$ 42,391	\$ 7,330	\$ 49,721	To agree costs to the detailed ledger

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OHIO AUDITOR OF STATE  
**KEITH FABER**



**VOCA CORPORATION OF OHIO DBA 1818 SULLIVANT**

**FRANKLIN 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 14, 2019**