



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

RE: Epilepsy Alliance Ohio DBA Arborview Residential Center  
Ohio Medicaid Number 0899103

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Medicaid (ODM) and the Ohio Department of Developmental Disabilities (DODD), on the Medicaid ICF-IID Cost Report of the Epilepsy Alliance Ohio DBA Arborview Residential Center (hereafter referred to as the Provider) for the period January 1, 2017 through December 31, 2017. 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 and DODD. 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, Epilepsy Alliance 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 number of Medicaid and non-Medicaid patient days from the Monthly Census Summary Report to *Schedule A-1, Summary of Inpatient Days*. We found reported days were greater than total Monthly Census Summary Report.
2. We selected five residents' in November 2017 and compared total days in care per the medical records with the inpatient days reported on the census records and *Schedule A-1*. We found no variances. We also determined that the Provider did not include any waiver respite days as Medicaid or Medicare days.
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 that reimbursed Medicaid days were greater than days reported on *Schedule A-1*. The Provider reported that it was reimbursed for the date of discharge for two recipients and the date of death for another recipient. We reported adjustments to remove these days in Appendix A.

### **Recoverable Finding: \$858.57**

We calculated a recoverable finding for the incorrectly reported days in the amount of \$858.57.

### Medicaid Paid Claims

1. We selected paid claims for five residents, in the Occupancy and Usage procedure above for October 2017 from QDSS and compared the reimbursed days to the days documented per the resident's medical records. We found no variances.

We also compared the documentation to the general requirements of CMS Publication 15-1, Chapter 23; Ohio Admin. Code § 5123:2-7-12; the specific requirements of Ohio Admin. Code § 5123:2-7-08 (C) to (I) as 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.

### Revenue

1. We compared the Provider's General Ledger with *Attachment 1, Revenue Trial Balance* and the Appendix to Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1. We found no differences.
2. We scanned the General 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* to offset corresponding expenses 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 General Ledger. We found no variances exceeding \$500.
2. We scanned the General Ledger and selected 20 non-payroll expenses that were reported on *Schedule B-1, Schedule B-2, and Schedule C*. 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 a variance 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 found no unreported contracts.
4. We did not perform this procedure as the Provider operates only one facility and did not report Home Office costs on *Schedule B-1, Schedule B-2 or Schedule C*.
5. We compared the non-payroll costs reported on *Schedule B-1, Schedule B-2 and Schedule C* by chart of account code to similar reported costs in 2016. We obtained the following explanations for the three non-payroll variances that increased by more than five percent and \$500:
  - Active Treatment Off-site Day Programming costs increased on *Schedule B-2* due to additional cost being allocated based on days of attendance;
  - Promotional Advertising and Marketing costs increased on *Schedule C* due to additional advertising for staffing; and
  - Communications costs increased on *Schedule C* due to cost increase.

## Property

1. We compared the initial square footage and year of construction of the 5405 Fomorin Road facility from the Clermont County Auditor's property tax records to *Attachment 9, Fair Rental Value Survey*. We found no differences in the year or square footage. We did not compare additions or removals from *Attachment 9, Fair Rental Value Log 1* to supporting documentation as the Provider did not report any additions or removals on this schedule.
2. We did not compare renovations to supporting documentation as the Provider did not report any renovations on *Attachment 9*.
3. We did not compare secondary buildings to supporting documentation as the Provider did not report any secondary buildings on *Attachment 9*.
4. We compared equipment depreciation and lease costs from *Schedule D, Analysis of Property, Plant, and Equipment* to the Provider's Fixed Asset Detail report, lease agreements and General Ledger. We also compared these costs to the Cost Report Instructions for ICF-IID and CMS Publication 15-1. We found no variances.

## Payroll

1. We compared all salary, fringe benefits, payroll tax entries and hours worked on the General Ledger to *Schedule B-1; Schedule B-2; Schedule C; and Schedule C-1, Administrator's Compensation*. We found no variances.
2. We selected five employees reported on *Schedule B-1, Schedule B-2, and Schedule C* and compared the organizational chart and job descriptions, and Hours Worked by Department report and the General Ledger 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 2017 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 2016. We obtained the explanation for one payroll variance that increased by more than five percent and \$500. The Qualified Mental Retardation Professional costs increased on *Schedule B-2* due to performance increases and the additional time required by residents.

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.

Epilepsy Alliance Ohio DBA Arborview Residential Center  
Independent Accountants' Report on  
Applying Agreed-Upon Procedures

This report is intended solely for the information and use of the Provider, ODM and DODD, 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 style with a large, stylized 'K' and 'F'.

Keith Faber  
Auditor of State  
Columbus, Ohio

March 5, 2019

**Appendix A**  
**Epilepsy Alliance Ohio DBA Arborview Residential Center**  
**2017 Medicaid ICF-IID Cost Report**

	<b>Reported Amount</b>	<b>Correction</b>	<b>Corrected Amount</b>	<b>Explanation of Correction</b>
<b>Schedule A-1 Summary of Inpatient Days</b>				
4. April - Number of Medicaid Certified Beds (1)	217	(1)	216	To remove resident's date of death from census days
8. August - Number of Medicaid Certified Beds (1)	248	(1)	247	To remove date of discharge from census days
11. November - Hospital Leave Days (3)	7	(1)	6	To remove date of discharge from census days
<b>Schedule B-2 Direct Care Cost Center</b>				
13. Habilitation Staff - 6170 - Other/Contract Wages (2) \$	951	\$ (951)	\$ -	To reclassify duplicate payment as non-federal reimbursable
<b>Schedule C Indirect Care Cost Center</b>				
68. Other Non-Reimbursable - Specify Below - 9725 - Other/Contract Wages (2)	\$ -	\$ 951	\$ 951	To reclassify duplicate payment as non-federal reimbursable

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**KEITH FABER**



**EPILEPSY ALLIANCE dba ARBORVIEW**

**CLERMONT 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  
MARCH 21, 2019**