



OHIO AUDITOR OF STATE
KEITH FABER



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Independent Accountants' Report on Applying Agreed-Up 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) and the Ohio Department of Aging (ODA), on the Aging Administered Waiver Annual Cost Report (Cost Report) for the Area Office on Aging of Northwestern Ohio, Inc. (hereafter referred to as the PAA), for the period July 1, 2016 through June 30, 2017. The PAA's management is responsible for preparing this fiscal year 2017 (FY 17) report. The sufficiency of these procedures is solely the responsibility of ODM and ODA. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Unless otherwise specified, the PAA provided all reports used in the procedures and this report only describes exceptions exceeding \$500.

Revenue

1. We compared the revenue on *Final Page A* to the Standard General Ledger and the Normal Trial Balance. We found no variances.
2. We agreed the monthly deposit data, the Client Liability worksheets and the Normal Trial Balance to the Client Liability Cash Reconciliation report and the reconciliation report to the Standard General Ledger and *Final Page A* and *C*. We found no variances.

Square Footage

1. We compared the floor plan to the Square Footage summary and the summary to the Rent Expense allocation report and the expense allocation to the cost allocation on the Standard General Ledger used for the Cost Report. We found no variances.

Trial Balance and Non-Payroll Expenses

1. We compared the disbursements on the Normal Trial Balance and Standard General Ledger to the Worksheet Expense Summary report and the expense summary to *Worksheet 1, Total Allowable Expenses by Line Item*. We found no variances.

We also compared total PASSPORT Information Management System (PIMS) costs to total *Worksheet 2, Waiver Services Expenses Detail*. We found no variances exceeding one half percent of total PIMS costs.

2. We scanned the Standard General Ledger and selected 60 disbursements from all cost pools. We compared supporting documentation and classification of the disbursement to the Three Party Agreement, Cost Report Instructions and 2 CFR part 200. We found no variances.

Trial Balance and Non-Payroll Expenses (Continued)

3. We compared the allocation methodology applied on *Worksheet 1* to the Cost Report Instructions. We found no differences.

Property

1. We compared the capital costs on *Worksheet 1* to the Worksheet Expense Summary and Standard General Ledger. We found no variances.
2. We compared the FY 17 Depreciation Schedule to the FY 16 Depreciation Schedule for changes in the depreciation amounts for assets purchased prior to FY 17, depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years or depreciation which was not in compliance with the Cost Report Instructions. We found no variances.
3. We did not perform the procedure to recalculate the first year's depreciation as there were no capital assets purchased during FY 17.
4. We selected the one disposed asset from FY 17 and confirmed the asset was removed from the 2017 Depreciation Schedule. We removed a loss for the disposed asset in Appendix A in accordance with CMS Publication 15-1, section 104.10(E).
5. We scanned the Standard General Ledger for items purchased during the FY 17 that met the capitalization criteria and the procurement requirements and found no unreported assets.

Payroll

1. We compared total salaries and benefits on *Worksheet 1* for each waiver to the Normal Trial Balance, Standard General Ledger and Worksheet Expense Summary report. We found no variances.
2. We selected 20 employees and compared the time study data for each cost center on the Monthly Time study report to the organizational chart and Monthly Wage Allocation Worksheet and then compared to the Standard General Ledger. We then compared the ledger and Worksheet Expense Summary report to the Cost Report. We then compared the reported salaries and benefits to the Cost Reports Instructions and 2 CFR part 200 to confirm costs were properly allocated, classified and allowable. We found no variances.

Contract Monitoring

1. We obtained the PAA's written procedures for all provider oversight processes during the cost report period. We selected providers for each type of provider oversight, including five pre-certification reviews, five structural compliance reviews, and five reviews of sanctioned providers to determine if the PAA maintained supporting documentation showing it performed oversight processes in accordance with Section II (A)(3)(b)(i)-(ii) in the Three Party Agreement and its written procedure requirements. We found no exceptions.

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 Aging Administered Waiver Annual 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.

Area Office on Aging of Northwestern Ohio, Inc.
Independent Accountants' Report on
Applying Agreed-Upon Procedures

This report is intended solely for the information and use of the PAA, the ODM and ODA, 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 24, 2020

SUMMARY OF COST AND EXPENSE ADJUSTMENTS (Corrections)

PROGRAM PASSPORT

COST REPORT									
Finding Number	Worksheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Adjusted Cost
1	1	10	Capital Cost	General Administration	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$24,672.00	(\$744.52)	\$23,927.48
1	1	10	Capital Cost	Provider Relations	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$538.00	(\$16.23)	\$521.77
1	1	10	Capital Cost	Screening	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$40,131.00	(\$1,211.02)	\$38,919.98
1	1	10	Capital Cost	Assessment	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$30,959.00	(\$934.24)	\$30,024.76
1	1	10	Capital Cost	Case Management	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$77,547.00	(\$2,340.10)	\$75,206.90

SUMMARY OF COST AND EXPENSE ADJUSTMENTS (Corrections)

PROGRAM ASSISTED LIVING

COST REPORT									
Finding Number	Worksheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Adjusted Cost
1	1	10	Capital Cost	General Administration	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$2,383.00	(\$71.90)	\$2,311.10
1	1	10	Capital Cost	Provider Relations	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$92.00	(\$2.78)	\$89.22
1	1	10	Capital Cost	Assessment	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$2,780.00	(\$83.89)	\$2,696.11
1	1	10	Capital Cost	Case Management	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$7,592.00	(\$229.11)	\$7,362.89

SUMMARY OF COST AND EXPENSE ADJUSTMENTS (Corrections)

PROGRAM MY CARE OHIO

COST REPORT									
Finding Number	Worksheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Adjusted Cost
1	1	10	Capital Costs	General Administration	Loss on disposal recorded in error	CMS Publication 15-1, Chapter 1, section 104.10E	\$1,911.00	(\$57.66)	\$1,968.66

Total Effect on Cost Report

(\$5,691.45)

OHIO AUDITOR OF STATE KEITH FABER



AREA OFFICE ON AGING OF NW OHIO

LUCAS 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, 2020**