



OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT BEHAVIORAL HEALTH SERVICES

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

RE: Center for Effective Living, Inc.
Ohio Medicaid Number: 3142727 NPI: 1790781102

We examined compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of psychotherapy services for the Center For Effective Living, Inc. (CFEL) during the period of July 1, 2018 through June 30, 2020.

In addition, we tested payments for two dates of service during the Ohio Governor's stay at home order in 2020; for one recipient with six psychological and neuropsychological testing and evaluation services on one day; and for instances in which more than one diagnostic evaluation was paid for the same recipient on the same day or within a 30 day period.

The CFEL entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Ohio Revised Code, Ohio Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Management of the CFEL is responsible for its compliance with the specified requirements. Our responsibility is to express an opinion on the CFEL's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CFEL complied, in all material respects, with the specified requirements outlined in the Compliance Section of this report. We are required to be independent of the CFEL and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

An examination involves performing procedures to obtain evidence about whether the CFEL complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion. Our examination does not provide a legal determination on the CFEL's compliance with the specified requirements.

Internal Control over Compliance

The CFEL 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 CFEL's internal control over compliance.

Basis for Adverse Opinion

Our examination disclosed that, in a material number of instances the CFEL lacked documentation to support the Medicaid payments, lacked treatment plans to authorize the service and, for those services with supporting documentation, the procedure code and/or units billed were not supported by the documentation.

Adverse Opinion on Compliance

In our opinion, the CFEL has not complied, in all material respects, with the select requirements of behavioral health services for the period of July 1, 2018 through June 30, 2020.

Our testing was limited to the specified Medicaid requirements detailed in the Compliance Section. We did not test other requirements and, accordingly, we do not express an opinion on the CFEL's compliance with other requirements.

We identified improper payments in the amount of \$11,545.63. This finding plus interest in the amount of \$596.74 (calculated as of May 12, 2022) totaling \$12,142.37 is due and payable to the Department upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27. If waste and abuse are suspected or apparent, the Department and/or the Office of the Attorney General will take action to gain compliance and recoup inappropriate or excess payments.¹ Ohio Admin. Code § 5160-1-29(B).

This report is intended solely for the information and use of the CFEL, the Department and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties.



Keith Faber
Auditor of State
Columbus, Ohio

May 12, 2022

¹ "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).

COMPLIANCE SECTION

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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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 from receipt of payment or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. See Ohio Admin. Code § 5160-1-17.2(D) and (E).

The CFEL is a professional medical group and received payment of \$860,086 under the provider number examined for 14,037 behavioral health services paid through fee-for-service and five Ohio Medicaid managed care organizations (MCOs).

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the CFEL's claims for payment 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 select behavioral health services as specified below for which the CFEL billed with dates of service from July, 1, 2018 through June 30, 2020 and received payment.

We obtained the CFEL's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program for fee-for-service payments. We also obtained paid claims data from five MCOs to use for this examination and verified that all services were paid to the CFEL's tax identification number. From the combined fee-for-service and MCO claims data, we removed all services paid at zero, denied services, adjustments and services with third-party payments, recipient co-pays or Medicare payments.

From the total paid services population, we extracted two dates of service (March 23, 2020 and March 30, 2020) during the Ohio "Stay at Home" order and selected all services to examine in their entirety (Two Dates of Service Exception Test).

We then summarized the remaining population of services by recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service. We then extracted one RDOS with six services to examine in their entirety (Six Services on the Same RDOS Exception Test).

From the remaining population, we extracted all diagnostic evaluations (procedure code 90791) and identified recipients with greater than one diagnostic evaluation on the same RDOS or within a 30 day period (Diagnostic Evaluations Exceeding Limits Exception Test).

Finally, we extracted all the remaining psychotherapy services (procedure codes 90834 and 90837) and summarized them by RDOS. We selected a random sample of 60 RDOS and obtained the detailed psychotherapy services for these RDOS.

The exception tests and sample size are shown in **Table 1**.

Purpose, Scope, and Methodology (Continued)

Table 1: Exception Tests and Sample			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
Two Dates of Service (90791, 90832, 90834, 90837 and 90847)			44
Six Services on the same RDOS (96130, 96131, 96132, 96133, 96136, 96137)			6
Diagnostic Evaluations Exceeding Limits (90791)			125
Sample			
Psychotherapy Services (90834 and 90837)	7,736 RDOS	60 RDOS	61
Total			236

A notification letter was sent to the CFEL setting forth the purpose and scope of the examination. During the entrance conference, the CFEL described its documentation practices and billing process. During fieldwork, we reviewed service documentation, service authorization and verified provider qualifications. We sent preliminary results to the CFEL and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

Results

The summary results are shown in **Table 2**. While certain services had more than one error, only one finding was made per service. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
Two Dates of Service	44	16	16	\$925.04
Six Services on the Same RDOS	6	5	5	\$674.08
Diagnostic Evaluations Exceeding Limitation	125	73	73	\$7,544.69
Sample				
Psychotherapy Services	61	39	47	\$2,401.82
Total	236	133	141	\$11,545.63

A. Provider Qualifications

Exclusion or Suspension List

Per Ohio Admin. Code § 5160-1-17.2(H), in signing the Medicaid provider agreement, a provider agrees that the individual practitioner or employee of the company is not currently subject to sanction under Medicare, Medicaid, or Title XX; or, is otherwise prohibited from providing services to Medicaid beneficiaries.

A. Provider Qualifications (Continued)

We identified 17 practitioners in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We also compared eight identified administrative staff names to the same database and exclusion/suspension list. We found no matches.

Behavior Health Services

For the 10 licensed and five certified practitioners in the service documentation for this examination, we verified via the Ohio e-License Center website that their certifications or licenses were current and valid on the first date found in our selected services and were active during the remainder of the examination period. For the two practitioners under the supervision of a psychologist, we verified with the Ohio Psychology Board that the practitioners were registered.

B. Service Documentation

All Medicaid providers are required to keep such records as are necessary to establish that conditions of payment for Medicaid covered services have been met, and to fully disclose the basis for the type, frequency, extent, duration, and delivery setting of services provided to Medicaid recipients, and to document significant business transactions. See Ohio Admin. Code § 5160-1-27(A).

We obtained service documentation and compared it to the required elements. For errors where units billed exceeded the documented duration, the improper payment was based on unsupported units.

Two Dates of Service Exception Test

The 44 services examined contained 14 instances (32 percent) in which there was no documentation to support the payment and two instances in which the documentation did not include the procedure code or duration to support the procedure code. These 16 errors resulted in the improper payment of \$925.04.

Six Services on the Same RDOS Exception Test

The six services examined contained four instances (67 percent) in which there was no documentation to support the payment and one instance in which the documentation did not include the procedure code or duration to support the procedure code. These five errors resulted in the improper payment of \$674.08.

Diagnostic Evaluations Exceeding Limitation Exception Test

The 125 services examined contained 37 instances (30 percent) in which there was no documentation to support the payment and 36 instances in which the same evaluation was billed with multiple dates. These 73 errors resulted in the improper payment of \$7,544.69.

Psychotherapy Services Sample

The 61 services examined contained 10 instances (16 percent) in which there was no documentation to support the payment and five instances in which the documentation did not include the procedure code or duration to support the procedure code. These 15 errors are included in the improper payment amount of \$2,401.82.

In addition, there was one instance in which the duration did not support the procedure code billed; however, the error did not result in an overpayment.

B. Service Documentation (Continued)

Recommendation

The CFEL should develop and implement procedures to ensure that all service documentation and billing practices fully comply with requirements contained in Ohio Medicaid rules. In addition, the CFEL should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement.

C. Authorization to Provide Services

A treatment plan must be completed within five sessions or one month of admission, whichever is longer, must specify mutually agreed treatment goals and track responses to treatment and is expected to bear the signature of the professional who recorded it. See Ohio Admin. Code § 5160-8-05(F).

Psychotherapy Services Sample

The 61 services examined contained 32 instances (52 percent) in which there was no treatment plan to authorize the service. These 32 errors are included in the improper payment amount of \$2,401.82.

We did not test treatment plans for the three exception tests.

Recommendation

The CFEL should develop and implement controls to ensure all individual treatment plans are completed within the required timeframe. The CFEL should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

Management of the CFEL indicated that they have implemented additional staff training based on the findings of the examination so that they are in better compliance for the next audit.

OHIO AUDITOR OF STATE KEITH FABER



CENTER FOR EFFECTIVE LIVING, INC.

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 6/7/2022

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This report is a matter of public record and is available online at
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