



OHIO AUDITOR OF STATE
KEITH FABER



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Medicaid Contract Audit
88 East Broad Street
Columbus, Ohio 43215
(614) 466-3340
ContactMCA@ohioauditor.gov

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

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

RE: Community Assessment and Treatment Services, Inc.
Ohio Medicaid Numbers: 0135152 and 2876599
National Provider Identifiers: 1932580545 and 1497871719

We examined compliance with specified Medicaid requirements for the following selected payments for dates of service during the period of July 1, 2018 through June 30, 2021 for Community Assessment and Treatment Services, Inc. (CATS).

- Group counseling when more than one service was reimbursed for the same recipient and date of service;
- Residential services reimbursed when another substance use disorder (SUD) provider was reimbursed for SUD services for the same recipient and date of service;
- Residential services reimbursed when the recipient was a hospital inpatient;
- Duplicate billings of residential services;
- Services to individuals in a residential program that exceed coverage limitations;
- Group services exceeding limitations;
- Group Counseling at the intensive outpatient level of care (IOP) exceeding limitations;
- Urinalysis testing exceeding limitations;
- Psychiatric diagnostic evaluations provided more than once in a calendar year; and
- A sample of 60-minutes psychotherapy when more than one service was reimbursed for the same recipient and date of service.

CATS 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 to fully disclose the extent of services provided and significant business transactions. CATS is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined. Our responsibility is to express an opinion on CATS' 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 CATS complied, in all material respects, with the specified requirements detailed in the Compliance Section. We are required to be independent of CATS 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 CATS 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 CATS' compliance with the specified requirements.

Internal Control over Compliance

CATS 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 CATS' internal control over compliance.

Basis for Adverse Opinion

Our examination disclosed that, in a material number of instances, the selected payments did not meet the applied Medicaid requirements.

Adverse Opinion on Compliance

In our opinion, CATS has not complied, in all material respects, for the applied requirements as identified in the Compliance Section of this report for the selected services for the period of July 1, 2018 through June 30, 2021.

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 CATS' compliance with other requirements.

We identified improper Medicaid payments in the amount of \$60,177.81. This finding plus interest in the amount of \$6,157.92 (calculated as of February 13, 2023) totaling \$66,335.73 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. If waste and abuse¹ 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. Ohio Admin. Code § 5160-1-29(B). This report is intended solely for the information and use of CATS, 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

February 13, 2023

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).

CATS is an Ohio Department of Mental Health and Addiction Services certified agency (Types 84 and 95) and received payment of \$17.09 million including managed care and fee-for-service payments for 126,860 services².

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether CATS' 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 payments for behavioral health services and substance use disorder (SUD) services as specified below for which CATS billed with dates of service from July 1, 2018 through June 30, 2021 and received payment.

We obtained CATS' claims from the Medicaid database which contains services billed to and paid by Ohio's Medicaid program. We also obtained claims data from two Ohio managed care organizations and verified that the services were paid to CATS' tax identification number. From the combined fee-for-service and MCO claims data, we removed services paid at zero and services with a third-party payment. From the remaining total paid services, we selected the following in this order:

Exception Tests:

- Residential services reimbursed when another SUD provider was reimbursed for SUD services for the same recipient and date of service (procedure codes H2034 and H2036) (Residential Services on the Same RDOS³ as Another SUD Agency Exception Test);
- Residential services reimbursed when the recipient was a hospital inpatient (procedure codes H2034 and H2036) (Residential Services During Inpatient Stay Exception Test);
- Residential services (procedure codes H2034 and H2036) in which 2 units were billed for same recipient on same day (Duplicate Residential Services Exception Test);
- Non-covered Services for Individual in Residential Treatment (procedure codes H0005, H0006, H0015, H0038, H0048, H2034 and H2036) (Services Exceeding Residential Limitation Exception Test);
- Group services exceeding limitations (procedure codes H0005 and H0015) (Group Services Exceeding Limitations Exception Test);
- Group counseling at the IOP level of care exceeding limitations (procedure code H0015) (IOP Services Exceeding Limitations Exception Test);
- Urinalysis tests exceeding limitations (procedure code H0048) (Urinalysis Tests Exceeding Limitations Exception Test); and
- Psychiatric diagnostic evaluations provided more than once in a calendar year (procedure code 90791) (Psychiatric Diagnostic Evaluations Greater Than One Exception Test).

² Payment data from the Medicaid Information Technology System (MITS).

³ RDOS is defined as all services for a given recipient on a specific date of service.

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- Group counseling when more than one service was reimbursed for the same recipient and date of service (procedure code H0005) (Greater Than One Group Counseling Service per RDOS).

In addition, we selected a non-statistical Sample of 60-minute psychotherapy when more than one service was reimbursed for the same recipient and date of service (procedure code 90837) (Greater Than One Psychotherapy Service per RDOS Sample).

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

Table 1: Exception Tests, Census and Sample			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
Residential Services on the Same RDOS as Another SUD Agency (H2034 & H2036)	47		47
Residential Services During Inpatient Stay (H2034 & H2036)	17		17
Duplicate Residential Services (H2034 & H2036)	329		329
Services Exceeding Residential Limitation (H0005, H0006, H0015, H0038, H0048, H2034 & H2036)	291		291
Group Services Exceeding Limitations (H0005 & H0015)	112		112
IOP Services Exceeding Limitations (H0015)	88		88
Urinalysis Tests Exceeding Limitations (H0048)	49		49
Psychiatric Diagnostic Evaluations Greater Than One in Calendar Year (90791)	10		10
Census			
Greater than One Group Counseling Service per RDOS (H0005)	137		137
Sample			
Greater than One Psychotherapy Service per RDOS (90837)	64 RDOS	20 RDOS	40
Total			1,120

A notification letter was sent to CATS setting forth the purpose and scope of the examination. During the entrance conference, CATS described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record system used, reviewed service documentation and verified professional licensure. We sent preliminary results to CATS and it submitted no additional documentation 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.

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Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
Residential Services on the Same RDOS as Another SUD Agency	47	0	2	\$0.00
Residential Services During Inpatient Stay	17	16	16	\$3,052.42
Duplicate Residential Services	329	168	168	\$34,434.48
Services Exceeding Residential Limitation	291	153	153	\$6,832.56
Group Services Exceeding Limitations	112	67	70	\$4,798.94
IOP Services Exceeding Limitations	88	45	50	\$6,604.08
Urinalysis Tests Exceeding Limitations	49	25	25	\$362.00
Psychiatric Diagnostic Evaluations Greater Than One in Calendar Year	10	0	0	0.00
Census				
Greater than One Group Counseling Service per RDOS	137	76	76	\$2,251.75
Sample				
Greater than One Psychotherapy Service per RDOS	40	18	19	\$1,841.58
Total	1,120	568	579	\$60,177.81

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.

We identified 39 providers in the service documentation for the following exception tests: Exceeding Residential Limitation, Group Services Exceeding Limitations, and IOP Services Exceeding Limitations and the Greater than One Psychotherapy Service per RDOS Sample and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We found no matches. We also compared identified administrative staff names to the same database and exclusion/suspension list and found no matches.

Licenses or Certifications

For the 25 licensed/certified practitioners identified in the group counseling, IOP and psychotherapy service documentation for the aforementioned tests, we verified via the e-License Ohio Professional Licensure System 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.

We did not test provider qualifications for the remaining exception tests.

B. Service Documentation

Documentation requirements include the date, time of day, and duration of service contact. See Ohio Admin. Code §§ 5160-27-02(H) and 5160-8-05(F). We compared CATS' documentation to the required elements. We also compared units billed to documented duration and we ensured the services met the duration requirements. For errors where units billed exceeded the documented duration, the improper payment was based on the unsupported units.

Residential Services on the Same RDOS as Another SUD Agency Exception Test

The 47 services examined contained two instances in which another SUD agency provided us with documentation of a service with delivery time that overlapped with CATS for the same recipient and date of service. We did not identify an improper payment as we were unable to gain assurance as to which agency's documentation was accurate.

Group Services Exceeding Limitations Exception Test

The 112 services examined contained the following errors:

- 65 instances in which there was no documentation to support the reimbursement;
- 1 instance in which the documentation did not include a description of the service rendered;
- 1 instance in which the duration was not recorded; and
- 1 instance in which the units reimbursed were greater than the documented units.

These 68 errors are included in the improper payment amount of \$4,798.94.

We also noted one instance in which the name of the rendering practitioner was not recorded. Since we found no errors with the other practitioners tested, we did not associate an improper payment for this error.

IOP Services Exceeding Limitations Exception Test

The 88 services examined contained the following errors:

- 37 instances in which there was no documentation to support the reimbursement;
- 7 instances in which the documentation did not include a description of the service rendered; and
- 1 instance in which two IOP services were reimbursed for the same recipient and date of service.

The 45 errors resulted in an improper payment amount of \$6,604.08.

We also noted five instances in which the minimum required duration was not met by one minute. We did not associate improper payments for these five errors.

Urinalysis Tests Exceeding Limitations Exception Test

The 49 services examined contained seven instances in which there was no documentation to support the reimbursement. These seven errors are included in the improper payment amount of \$362.00

Psychiatric Diagnostic Evaluations Greater Than One in Calendar Year Exception Test

We found no errors with the service documentation.

B. Service Documentation (Continued)

Greater than One Group Counseling Service per RDOS

The 137 services examined contained 76 instances in which there was no documentation to support the reimbursement. These 76 errors resulted in an improper payment amount of \$2,251.75.

Greater than One Psychotherapy Service per RDOS Sample

The 40 services examined contained 17 instances in which there was no documentation to support the service. These 17 errors are included in the improper payment amount of \$1,841.58.

We also noted three instances in which the name of the rendering practitioner was not recorded. Since we found no errors with the other practitioners tested, we did not associate an improper payment for these three errors.

Recommendation

CATS 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, CATS should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement. CATS should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Authorization to Provide Services

Treatment Plans

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 §§ 5160-27-02(H) and 5160-8-05(F).

Greater than One Psychotherapy Service per RDOS Sample

The 40 services examined two instances in which the treatment plan did not authorize the service. The two errors are included in the improper payment amount of \$1,841.58.

We did not examine authorization to provide services in the remaining tests.

Recommendation

CATS should develop and implement procedures to ensure that all service authorizations fully comply with requirements contained in Ohio Medicaid rules. In addition, CATS should implement a quality review process to ensure that service authorizations are complete and accurate prior to submitting claims for reimbursement.

D. Medicaid Coverage

Requirements of Medicaid Provider Agreement

Per Ohio Admin. Code § 5160-1-17.2(A), by signing the Medicaid Provider Agreement the provider agrees to comply with the terms of the provider agreement, Revised Code, Administrative Code, and federal statutes and rules; and the provider certifies and agrees submit claims only for services actually performed.

D. Medicaid Coverage (Continued)

Residential Services During Inpatient Stay Exception Test

The 17 services examined contained 16 instances with a date of service when the recipient was a hospital inpatient. We confirmed the dates of the inpatient stays with each hospital. These 16 errors resulted in an improper payment amount of \$3,052.42.

Duplicate Residential Services Exception Test

The 329 services examined contained 168 instances in which a per-diem service was reimbursed twice for the same recipient and date of service. These 168 errors resulted in an improper payment amount of \$34,434.48.

SUD Residential Treatment Program Services

Per Ohio Admin. Code § 5160-27-09(B), for individuals in residential treatment, medical services will not be reimbursed separately, and community psychiatric supportive treatment and assertive community treatment are non-covered services. Individuals in residential treatment may receive medically necessary services from practitioners who are not affiliated with the residential treatment program. This includes medical treatment that is outside the scope of the residential level of care as defined by the American Society of Addiction Medicine. See Ohio Admin. Code § 5160-27-09(C).

Services Exceeding Residential Limitation Exception Test

The 291 services examined contained 153 services that are included in the residential treatment service and are not reimbursed separately per Ohio Admin. Code § 5160-27-09(B)(3). These 153 errors resulted in an improper payment amount of \$6,832.56.

Substance Abuse Disorder Group Counseling

Per the MITS Reference Procedure Information for alcohol and/or drug services; group counseling by a clinician (H0005), group services on the same date of service as intensive outpatient program are limited to one hour.

Group Services Exceeding Limitations Exception Test

The 112 services examined contained one instance in which the units of group therapy exceeded one hour when intensive outpatient services were also billed. This error is included in the improper payment amount of \$4,798.94.

Substance Use Disorder Urine Drug Screening

Per 5160-27-02(C), substance use disorder urine drug screening is limited to one per day, per recipient.

Urinalysis Tests Exceeding Limitations Exception Test

The 49 services examined contained 18 instances in which more than one urinalysis test was reimbursed for the same recipient and date of service. These 18 errors are included in the improper payment amount of \$362.00.

D. Medicaid Coverage (Continued)

Diagnostic Psychiatric Evaluations

One diagnostic evaluation, per billing provider, per recipient, per calendar year may be exceeded only with prior authorization. See Ohio Admin. Code § 5160-27-02(B)(5).

Psychiatric Diagnostic Evaluations Greater Than One in Calendar Year Exception Test

We confirmed that for all instances in which more than one psychiatric diagnostic evaluation was conducted, they were billed to separate national provider identifiers (NPIs).

Recommendation

CATS should ensure that services billed to Medicaid are consistent with the benefits covered by the program. Additionally, CATS should also seek technical assistance from the Department to ensure it is properly billing mental health services separately from the SUD residential treatment service and that the Department monitor CATS for compliance. CATS should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

OHIO AUDITOR OF STATE KEITH FABER



COMMUNITY ASSESSMENT AND TREATMENT SERVICES, 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 3/30/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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