



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 PAYMENTS FOR BEHAVIORAL HEALTH SERVICES

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

RE: Oriana House, Inc. Ohio Medicaid Numbers: 0339033 and 2876580
National Provider Identifiers (NPIs): 1790249431 and 1730127176

We examined compliance with specified Medicaid requirements during the period of January 1, 2019 through December 31, 2020 for provider qualifications, service documentation, service authorization or prior authorization related to select payments described below for Oriana House, Inc. (Oriana House).

We tested the following select payments:

- All instances in which more than one psychiatric diagnostic evaluation was billed for the same recipient within the same calendar year;
- All instances in which a group counseling, intensive outpatient level of care group counseling or self-help/peer recovery service was billed for the same recipient on the same day as a substance use disorder (SUD) residential treatment program;
- Select instances in which Oriana House and another Ohio Medicaid provider was paid for the same recipient on the same day for a per diem behavioral health service; and
- All instances in which a recipient had more than 30 consecutive days in a calendar year for the first or second admission in a SUD residential treatment program.

Oriana House 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 a form to fully disclose the extent of services provided and significant business transactions. Management of Oriana House is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements included in the engagement. Our responsibility is to express an opinion on Oriana House's compliance with the specified Medicaid requirements for the selected payments in 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 Oriana House complied, in all material respects, with the specified requirements referenced above. We are required to be independent of Oriana House 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 Oriana House 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 Oriana House's compliance with the specified requirements.

Internal Control over Compliance

Oriana House 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 Oriana House's internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed that, in a material number of instances, Oriana House did not obtain the required prior authorization for additional psychiatric diagnostic evaluations and billed separately for services that were included in the daily rate which is a coverage limitation.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, Oriana House has complied, in all material respects, with the select requirements for the selected behavioral health service payments for the period of January 1, 2019 through December 31, 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 Oriana House's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$85,035.95. This finding plus interest in the amount of \$12,755.39 (calculated as of February 13, 2023) totaling \$97,791.34 is due and payable to the Department upon its adoption and adjudication of this 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 Oriana House, 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).

Oriana House is certified by the Ohio Department of Mental Health and Addiction Services and received payment of approximately \$3 million under the provider numbers examined for over 27,000 mental health and SUD treatment services². Oriana House has 32 facilities in the following locations across Ohio: Akron, Canton, Cleveland, Fremont, Marietta, Norwalk, Sandusky, Tiffin and Woodville.

Purpose, Scope, and Methodology

The purpose of this engagement was to determine whether Oriana House'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 payments for behavioral health services as specified below for which Oriana House billed with dates of service from January 1, 2019 through December 31, 2020 and received payment.

We obtained Oriana House's fee-for-service claims data from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We also obtained paid claims data from one Medicaid MCO and confirmed the services were paid to Oriana House's tax identification number. From the fee-for-service and MCO data, we removed services paid at zero. From the total paid services population, we selected the following payments:

- All instances in which more than one psychiatric diagnostic evaluation (procedure code 90791) was billed for the same recipient within the same calendar year (More than One Diagnostic Evaluation Exception Test);
- All instances in which a group counseling (H0005), group counseling at the intensive outpatient level of care (H0015) or self-help/peer recovery service (H0038) was billed for the same recipient on the same day as a SUD residential treatment (H2034 and H2036) service (Services Billed Separately During Residential Stay Exception Test);
- Select instances in which Oriana House and another Ohio Medicaid provider were paid for the same recipient on the same date for a per diem behavioral health service (Services on Same Day as Another Agency Exception Test). The Oriana House services included medically monitored inpatient withdrawal management (H0011) and clinically managed low intensity residential treatment (H2034). The services from the other Ohio Medicaid provider were for per diem therapeutic behavioral services (H2020) and clinically managed population-specific high intensity residential treatment (H2036); and
- All instances in which a recipient had more than 30 consecutive days for the first and second admission within a calendar year in a low intensity or high intensity residential treatment program (H2034 and H2036) (More than 30 Consecutive Days in Halfway House or SUD Residential Treatment Exception Tests).

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

² Payments consist of fee-for-service data from the Medicaid Information Technology System (MITS) and claims data from one Medicaid managed care organization (MCO).

Purpose, Scope, and Methodology (Continued)

Table 1: Exception Tests	
Universe	Selected Payments
More than One Diagnostic Evaluation (90791)	48
Services Billed Separately During Residential Stay (H0005, H0015, H0038)	675
Services on Same Day as Another Agency (H0011 and H2034)	17
More than 30 Consecutive Days in Low-Intensity Residential Treatment (H2034)	1,883
More than 30 Consecutive Days in High-Intensity Residential Treatment (H2036)	287
Total	2,910

A notification letter was sent to Oriana House setting forth the purpose and scope of the examination. During the entrance conference, Oriana House described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record (EHR) system used, reviewed service documentation and verified professional licensure. We sent preliminary results to Oriana House 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**. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
Universe	Payments Examined	Non-compliant Payments	Non-compliance Errors	Improper Payment
More than One Diagnostic Evaluation	48	12	12	\$1,302.49
Services Billed Separately During Residential Stay	675	675	675	\$73,145.00
Services on Same Day as Another Agency	17	1	1	\$152.57
More than 30 Consecutive Days in Low-Intensity Residential Treatment	1,883	67	67	\$10,222.19
More than 30 Consecutive Days in High-Intensity Residential Treatment	287	1	1	\$213.70
Total	2,910	756	756	\$85,035.95

A. Provider Qualifications

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

A. Provider Qualifications (Continued)

For all licensed and certified rendering practitioners identified in the service documentation for this examination, 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 payments and were active during the remainder of the examination period.

The Department requires that providers and practitioners who want to furnish Medicaid covered services to Medicaid recipients enroll as Medicaid providers. This includes both providers and practitioners who will submit claims seeking reimbursement for services furnished to Medicaid recipients and rendering practitioners who are employed by provider groups or organizations who will submit claims to the department for payment. See Ohio Admin. Code § 5160-1-17.

We searched MITS to verify that each rendering practitioner had an active Medicaid provider number on the first date found in our selected payments and was active during the remainder of the examination period. We found one practitioner that was not registered with Ohio Medicaid during the examination period. This practitioner was licensed and did register with Ohio Medicaid in June 2021; therefore, we did not associate an error with the service rendered by this practitioner.

We did not test provider qualifications for the payments for services billed separately during a residential stay or more than 30 consecutive days in a residential program exception tests.

B. Service Documentation

Documentation requirements include the type, description, date, time of day, and duration of service contact. See Ohio Admin. Code § 5160-8-05(F). We obtained service documentation from Oriana House and compared it to the required elements. We limited our testing of service documentation to the tests specified below.

More than One Diagnostic Evaluation Exception Test

The 48 payments examined consisted of 24 recipients in which Oriana House was reimbursed for two diagnostic psychiatric evaluations in a calendar year. For one recipient, there was no documentation to support the second diagnostic psychiatric evaluation. This one error is included in the improper payment of \$1,302.49.

Services on Same Day as Another Agency Exception Test

The 17 payments examined one instance in which there was no documentation to support the payment. This error resulted in an improper payment amount of \$152.57.

Recommendation

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

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 §§ 5160-27-02(H) and 5160- 8-05(F).

C. Authorization to Provide Services (Continued)

We obtained treatment plans from Oriana House to confirm that the treatment plan authorized the service examined and was signed by the recording practitioner. We limited our testing of treatment plans to the payments on the same day as another agency exception test. All of the selected payments were supported by a signed treatment plan.

D. Medicaid Coverage

Residential Treatment Services

Per Ohio Admin. Code § 5160-27-09(B)(3), the following services are included in the residential treatment service and will not be reimbursed separately: ongoing assessments and diagnostic evaluations, crisis interventions, individual, group, family psychotherapy and counseling, case management, SUD peer recovery services, urine drug screens and medical services.

In addition, Ohio Medicaid allows up to 30 consecutive days without prior authorization per recipient for the first and second residential treatment admission in a calendar year. If the residential stay continues beyond the 30 consecutive days of the first or second stay, prior authorization is required to support the medical necessity of the continued stay. If medical necessity is not substantiated and approved by the Department's designated entity, only the initial 30 consecutive days will be reimbursed. See Ohio Admin. Code § 5160-27-09(F)(3).

Psychiatric Diagnostic Evaluations

Ohio Admin. Code § 5160-27-02(B) limits psychiatric diagnostic evaluations to one per recipient, per calendar year, per billing provider. We confirmed with the MCO that it imposed the same limitations.

More than One Diagnostic Evaluation Exception Test

The 48 payments included two diagnostic evaluations for 24 unique recipients. We confirmed that for 12 of these 24 recipients, Oriana House billed one diagnostic evaluation under its mental health national provider identifier (NPI) of 1790249431 (type 84) and the other billed under its SUD treatment NPI of 1730127176 (type 95) which did not exceed the limit of one evaluation per billing provider.

For the remaining recipients, there was no documentation to support one of the selected payments as described in the Service Documentation section. There was documentation to support the second diagnostic evaluation for the other 11 recipients; however, we confirmed in the Medicaid system that both evaluations were billed under the same NPI number which exceeded Medicaid's coverage limitation and no prior authorization was obtained. These 11 errors are included in the improper payment of \$1,302.49.

Services Billed Separately During Residential Stay Exception Test

The 675 payments examined consisted of group counseling, intensive outpatient level of care group counseling and self-help/peer recovery service which were billed while the recipient was in a residential program on the same day. As these exceeded Medicaid's coverage limitation, we identified errors for all 675 payments which resulted in the improper payment amount of \$73,145.

Oriana House indicated that these services were billed due to two system errors: 1) certain recipients were assigned two levels of care within its EHR system and 2) a malfunction in which the EHR system did not recognize certain group counseling services as services delivered within the residential treatment program.

D. Medicaid Coverage (Continued)

More than 30 Consecutive Days in Low-Intensity Residential Treatment Exception Test

The 1,883 payments examined contained 67 instances (four percent) in which there was no prior authorization to support the medical necessity of the continued stay as required for payment. These 67 errors resulted in an improper payment of \$10,222.19.

More than 30 Consecutive Days in High-Intensity Residential Treatment Exception Test

The 287 payments examined contained one instance in which the prior authorization from the MCO authorized continued stay in the low-intensity program and not high-intensity residential treatment that was reimbursed. This error resulted in an improper payment of \$213.70.

Recommendation

Oriana House should ensure that services billed to Medicaid are consistent with the benefits covered by the program. Oriana House should address these issues to ensure compliance with Medicaid rules and avoid future findings.

In the More than One Diagnostic Evaluation exception test, 12 recipients had two evaluations within one year with each evaluation billed under a separate NPI. While the Medicaid limitation is for one evaluation per billing provider, Ohio Admin. Code § 5160-1-02 states that a medical service is reimbursable if the service is medically necessary. The scope of this examination did not include a determination of the medical necessity of the services examined; however, we noted that the second evaluation for 10 of these 12 individuals was completed within 15 days of the first evaluation. We recommend that the Department and MCO further review Oriana House's practice of completing multiple evaluations within a calendar year to determine the medical necessity of these services.

Official Response

Oriana House reiterated the two system errors that caused services to be billed separately while the recipient was in a residential program. According to the response, Oriana House reconfigured its service array and developed and revised its workflows and procedures to eliminate these system errors. Additionally, Oriana House disagreed with our recommendation to the Department and MCO regarding the medical necessity of the psychiatric diagnostic evaluations as the Medicaid rules allow for multiple psychiatric diagnostic evaluations without prior authorization as long as they are billed to different NPI numbers.

A copy of the full response can be obtained from Oriana House at 885 East Buchtel Avenue in Akron, Ohio.

AOS Conclusion

After reviewing Oriana House's comments, we maintain that our recommendation is valid and may provide useful information to the Department and MCO.

We did not examine Oriana House's response and, accordingly, we express no opinion on it.

OHIO AUDITOR OF STATE KEITH FABER



ORIANA HOUSE, INC.

SUMMIT 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 3/28/2023

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