



OHIO AUDITOR OF STATE  
**KEITH FABER**





# 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 HOME HEALTH AND WAIVER SERVICES

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

RE: Caring Heart Home Health Agency, LLC  
Ohio Medicaid Number: 3084077

National Provider Identifier: 1215184700

We examined compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of home health services during the period of January 1, 2020 through December 31, 2022 for Caring Heart Home Health Agency, LLC (Caring Heart).

We tested the following services:

- All instances in which a service was billed during a potential inpatient hospital stay;
- Select recipients with eight or more registered nurse (RN) assessment services in the same calendar year;
- Select instances in which more than four hours of home health aide services were reimbursed for the same recipient on the same day during the same shift;
- Select service dates for recipients with services on the same day at the same address;
- Select dates of service for the top two recipients in terms of dollars;
- A sample of home health aide services<sup>1</sup> and any additional aide services for the same recipient on the same recipient date of service (RDOS)<sup>2</sup> as the sampled services; and
- A sample of licensed practical nursing (LPN) services and any additional nursing services on the same RDOS as the sampled services.

Caring Heart 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, 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. Management of Caring Heart 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 Caring Heart'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 Caring Heart complied, in all material respects, with the specified requirements referenced above.

<sup>1</sup> This sample also included one outlier date of service in which 44 units were billed for a recipient.

<sup>2</sup> An RDOS is defined as all services for a given recipient on a specific date of service.

We are required to be independent of the Caring Heart 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 Caring Heart 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 Caring Heart's compliance with the specified requirements.

### ***Internal Control over Compliance***

Caring Heart 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 Caring Heart's internal control over compliance.

### ***Basis for Qualified Opinion***

Our examination disclosed, in a material number of instances, the following non-compliance:

- Caring Heart did not have documentation to support services billed during a potential inpatient stay;
- Caring Heart did not have documentation to support RN assessments in which more than eight were billed within the same calendar year;
- Caring Heart did not have plans of care and units billed exceeded documented duration for home health aide services in which more than four hours of service were billed per shift;
- Caring Heart did not have documentation to support services billed for recipients at the same address on the same day;
- Caring Heart did not document the arrival and departure time on RN assessments for the top two recipients;
- Caring Heart did not have plans of care or service documentation to support the sampled home health aide services;
- Caring Heart did not have service documentation to support the additional aide services on the same day as the sampled home health aide services;
- Caring Heart did not have plans of care to support the sampled LPN nursing services; and
- Caring Heart billed for an RN service that was rendered by an LPN.

### ***Qualified Opinion on Compliance***

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, Caring Heart has complied, in all material respects, with the select requirements of home health services for the period of January 1, 2020 through December 31, 2022.

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 Caring Heart's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$6,602.81. This finding plus interest in the amount of \$788.81 (calculated as of September 19, 2024) totaling \$7,391.62 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 per Ohio Admin. Code 5160-1-27.

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This report is intended solely for the information and use of Caring Heart, 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.

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

October 16, 2024

**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 per Ohio Admin. Code 5160-1-17.2(D) and (E).

Caring Heart is a Medicare certified home health agency (MCHHA) and received payment of over \$13.4 million for approximately 245,000 home health and waiver services<sup>3</sup>. Caring Heart has one location in Columbus, Ohio.

**Table 1** contains the home health and waiver procedure codes selected for this compliance examination.

<b>Table 1: Home Health and Wavier Services</b>	
<b>Procedure Code</b>	<b>Description</b>
<b>State Plan Services:</b>	
G0151	Physical Therapy
G0152	Occupational Therapy
G0156	Home Health Aide
G0299	Home Health Nursing – RN
G0300	Home Health Nursing – LPN
T1001	RN Assessment
<b>Waiver Services:</b>	
MR940	Homemaker Personal Care
MR970	Homemaker Personal Care
PT531	Waiver Nursing - LPN
PT624	Personal Care
T1003	Waiver Nursing
T1019	Personal Care Aide

Source: Appendix to Ohio Admin. Code 5160-12-05, 5160-12-08, 5160-46-06, 5160-1-06.1 and 5123-9-30.

**Purpose, Scope, and Methodology**

The purpose of this examination was to determine whether Caring Heart'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 services, as specified below, for which Caring Heart billed with dates of service from January 1, 2020 through December 31, 2022 and received payment. We obtained Caring Heart's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all services paid at zero and extracted fee-for-service and encounter claims from one Medicaid managed care entity (MCE).

<sup>3</sup> Payment data from the Medicaid Information Technology System.

**Purpose, Scope, and Methodology (Continued)**

We also obtained paid claims data from another MCE and confirmed that all services were paid to Caring Heart's tax identification number. We removed all adjusted claims and services paid at zero. The scope of our examination including testing procedures relate to select services as identified in the Independent Auditor's Report. The exception test and calculated sample sizes are shown in **Table 2**.

<b>Table 2: Exception Tests and Samples</b>			
<b>Universe</b>	<b>Population Size</b>	<b>Sample Size</b>	<b>Selected Services</b>
<b>Exception Tests</b>			
Eight or More Assessments (T1001)			104
Services During Potential Inpatient Stay <sup>1</sup>			93
Home Health Aide Exceeding Four Hours (G0156)			30
Services at Shared Address (G0156)			52
Outlier Recipients <sup>2</sup>			45
<b>Samples</b>			
Home Health Aide Services (G0156)	71,220 RDOS	80 RDOS	91
Additional Aide Services <sup>3</sup>			<u>57</u>
Total for Home Health Aide and Additional Services			148
LPN Services (G0300)	24,627 RDOS	80 RDOS	101
Additional Nursing Services (G0299 and PT531)			<u>9</u>
Total for LPN and Additional Services			110
<b>Total</b>			<b>582</b>

<sup>1</sup> These services consist of G0151, G0152, G0156, G0299, PT624, T1001, T1003 and T1019.

<sup>2</sup> These services consist of G0151, G0156, G0299, G0300, T1001 and T1019.

<sup>3</sup> These services consist of MR940, MR970, PT624 and T1019.

A notification letter was sent to Caring Heart setting forth the purpose and scope of the examination. During the entrance conference, Caring Heart 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 Caring Heart 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 3**. 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.

<b>Table 3: Results</b>				
<b>Universe</b>	<b>Services Examined</b>	<b>Non-compliant Services</b>	<b>Non-compliance Errors</b>	<b>Improper Payment</b>
<b>Exception Tests</b>				
Eight or More Assessments	104	45	105	\$1,707.84
Services During Potential Inpatient Stay	93	35	35	\$2,082.14
Home Health Aide Exceeding Four Hours	30	11	15	\$628.95
Services at Shared Address	52	5	5	\$366.01
Outlier Recipients	45	3	9	\$88.61

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<b>Table 3: Results (Continued)</b>				
<b>Universe</b>	<b>Services Examined</b>	<b>Non-compliant Services</b>	<b>Non-compliance Errors</b>	<b>Improper Payment</b>
<b>Samples</b>				
Home Health Aide Services	91	22	25	\$1,087.18
Additional Aide Services	<u>57</u>	<u>5</u>	<u>5</u>	<u>\$264.52</u>
Total for Home Health and Additional	148	27	30	\$1,351.70
LPN Services	101	8	9	\$330.16
Additional Nursing Services	<u>9</u>	<u>1</u>	<u>1</u>	<u>\$47.40</u>
Total for Nursing and Additional	110	9	10	\$377.56
<b>Total</b>	<b>582</b>	<b>135</b>	<b>209</b>	<b>\$6,602.81</b>

**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 96 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 the identified owner and administrative staff names to the same database and exclusion/suspension list; no matches were identified.

*Nursing and Skilled Therapy Services*

Per Ohio Admin. Code 5160-12-01(G), 5160-31-05(B), 173-39-02.22 and 5160-44-22(A), home health and waiver nursing, as well as skilled therapy services require the skill of and must be performed by a licensed practitioner. We identified 23 nurses and one physical therapist in the service documentation and compared their names to the e-License Ohio Professional Licensure System. All 24 practitioners had a current and valid on the date of service delivery for our selected services and were valid during the remainder of the examination; however, we found two practitioners that were LPNs and not eligible to render RN services as specified below.

*Eight or More Assessments Exception Test*

The 104 RN assessments examined contained one instance in which the rendering practitioner was not licensed as an RN on the selected date of service. This error is included in the improper payment of \$1,707.84.

*LPN Services Sample*

All 101 sampled LPN services were rendered by a licensed LPN. The nine additional nursing services contained one instance in which an RN service was rendered by an LPN. This error resulted in the improper payment of \$47.40.

**Recommendation**

Caring Heart should review the Ohio Medicaid rules and improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. Caring Heart should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.



## **B. Service Documentation**

Per Ohio Admin. Code 5160-12-03(B)(9), the MCHHA must maintain documentation of home health services that includes, but is not limited to, clinical and time keeping records that indicate the date and time span of the service and the type of service provided.

For waiver homemaker and personal care services, the provider must maintain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times in accordance with Ohio Admin. Code 5160-31-05(B), 5160-46-04(A), 173-39-02.11(C)(6)(b), 5160-40-01(F), 5160-42-01(K), 5123-9-30(E).

We obtained service documentation from Caring Heart and compared it to the required elements. We also compared units billed to documented duration and compared services by recipient and the rendering practitioner to identify any overlapping services. For errors where the units billed exceeded the documented duration, the improper payment was based on the unsupported units.

### *Eight or More Assessments Exception Test*

The 104 services examined consisted of eight recipients with more than eight RN assessments in a calendar year. These 104 services contained 44 instances in which there was no documentation to support the payment. These 44 errors are included in the improper payment of \$1,707.84.

There were also 60 instances in which the RN assessment did not contain the arrival and departure times as required by Ohio Admin. Code 5160-12-08(E)(5). In these instances, we noted an error, but did not associate an improper payment as payment is made per assessment and not based on time and Caring Heart had documentation that supported a completed assessment.

Caring Heart indicated that it had billed patient transfers as RN assessments in error.

### *Services During Potential Inpatient Stay Exception Test*

The 93 services examined consisted of 22 recipients in which the reported date of service occurred during a potential inpatient hospital stay. We requested verification from the rendering hospital to confirm dates of admission and discharge for each of the recipients. Only one rendering hospital responded to our request for confirmation; therefore, we were unable to determine whether services were billed during the hospital stay. For these 91 services, there were 35 instances in which Caring Heart had no documentation to support the payment. For the one confirmed inpatient stay, we determined the recipient was admitted after the home health service. These 35 errors resulted in the improper payment of \$2,082.14.

### *Home Health Aide Exceeding Four Hours Exception Test*

The 30 services examined consisted of four instances in which there was no documentation to support the payment and four instances in which the units billed exceeded the documented duration. These eight errors are included in the improper payment of \$628.95.

There was also one instance in which the units billed exceeded the documented duration; however, the service was underbilled. In the remaining 21 instances, the payment rate did not exceed the rate paid for four hours of service.

### *Services at Shared Address Exception Test*

The 52 services examined consisted of one address with four recipients receiving services on the same day. These 52 services contained three instances in which there was no documentation to support the payment. These three errors were included in the improper payment of \$366.01. There were no services overlapping in time indicated based on the documentation.

**B. Service Documentation (Continued)**

*Outlier Recipients Exception Test*

The 45 services examined contained two instances in which the units billed exceeded the documented duration and one instance in which there was no documentation to support the payment. These three errors resulted in the improper payment of \$88.61.

There were also six instances in which the RN assessment examined did not contain the arrival and departure times as required. In these instances, we noted an error, but did not associate an improper payment as a payment is made per assessment and not based on time and Caring Hearts provided documentation that supported a completed assessment.

*Home Health Aide Services Sample*

The 91 sampled services contained seven instances in which there was no documentation to support the payment and two instances in which there was no description of the service provided. These nine errors are included in the improper payment of \$1,087.18.

The 57 additional aide services contained four instances in which there was no documentation to support the payment and one instance in which units billed exceeded the documented duration. These five errors resulted in the improper payment of \$264.52.

*LPN Services Sample*

The 101 sampled services contained three instances in which there was no documentation to support the payment. These three errors were included in the improper payment of \$330.16.

All nine additional nursing services were supported by documentation that contained the required elements.

**Recommendation**

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

**C. Authorization to Provide Services**

All home health providers are required by Ohio Admin. Code 5160-12-03(B)(3)(b)<sup>4</sup> to create a plan of care for recipients indicating the type of service to be provided to the recipient.

We obtained plans of care from Caring Heart and confirmed if there was a plan of care that covered the selected date of service, authorized the type of service, and was signed by a physician. We limited our testing of service authorization as specified below.

*Home Health Aide Exceeding Four Hours Exception Test*

The 30 examined services contained seven instances in which there was no plan of care authorizing the service. These seven errors are included in the improper payment of \$628.95.

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<sup>4</sup> This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

**C. Authorization to Provide Services (Continued)**

*Shared Address Exception Test*

The 52 services examined consisted of two instances in which there was no plan of care authorizing the service. These two errors are included in the improper payment of \$366.01.

*Home Health Aide Services Sample*

The 91 sampled services contained 15 instances in which there was no plan of care authorizing the service and one instance in which the plan of care did not authorize home health aide services. These 16 errors are included in the improper payment of \$1,087.18.

We did not test service authorization for the additional 57 aide services on the same RDOS as the sampled services.

*Nursing Services Sample*

The 101 sampled services contained six instances in which there was no plan of care authorizing the service. These six errors were included in the improper payment of \$330.16.

We did not test service authorization for the additional nine nursing services on the same RDOS as the sampled service.

**Recommendation**

Caring Heart should establish a system to ensure that plans of care authorizing the service are obtained prior to submitting claim for services to the Department. Caring Heart should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

Caring Heart declined to submit an official response to the results noted above.

# OHIO AUDITOR OF STATE KEITH FABER



**CARING HEART HOME HEALTH AGENCY, LLC**

**FRANKLIN 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 11/7/2024**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)