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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT PRIVATE DUTY NURSING SERVICES**

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

RE: Joyce Kerobo, LPN
Ohio Medicaid Number: 0253721 NPI: 1952815490

We examined compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of private duty nursing services (PDN) during the period of January 1, 2020 through December 31, 2022 for Joyce Kerobo, LPN. In addition, we examined select services for one week during each quarter of the examination period where Ms. Kerobo billed for services with the billing code modifier for overtime.

Ms. Kerobo 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. Ms. Kerobo is responsible for her compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined. Our responsibility is to express an opinion on Ms. Kerobo'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 Ms. Kerobo complied, in all material respects, with the specified requirements referenced above. We are required to be independent of Ms. Kerobo 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 Ms. Kerobo 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 Ms. Kerobo's compliance with the specified requirements.

***Internal Control over Compliance***

Ms. Kerobo 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 Ms. Kerobo's internal control over compliance.

***Basis for Qualified Opinion***

Our examination disclosed that, in a material number of instances, one continuous shift was billed as two separate shifts which resulted in an additional base rate paid to Ms. Kerobo.

***Qualified Opinion on Compliance***

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, Ms. Kerobo has complied, in all material respects, with the select requirements of PDN 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 Ms. Kerobo's compliance with other requirements.

We identified improper Medicaid payments in the amount of $1,044.88. This finding plus interest in the amount of $149.65 (calculated as of September 18, 2024) totaling $1,194.53 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 in accordance with 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] per Ohio Admin. Code 5160-1-29(B).

This report is intended solely for the information and use of Ms. Kerobo, 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

October 8, 2024

[1] "Waste" means any preventable act such as inappropriate utilization of services or misuse of resources that results in unnecessary expenditures to the Medicaid program. "Abuse" means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. See Ohio Admin. Code 5160-1-29(A) and 42 CFR Part 455.2.

## 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. Per Ohio Admin. Code 5160-1-17.2(D) and (E), providers must furnish such records for audit and review purposes.

Ms. Kerobo is a licensed practical nurse (LPN) located in Cincinnati, Ohio and received payment of approximately $331,000 under the provider number examined for almost 1,500 PDN services[2] during our examination period.

### Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Ms. Kerobo'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 PDN (procedure code T1000) services as specified below for which Ms. Kerobo billed with dates of service from January 1, 2020 through December 31, 2022 and received payment.

We obtained Ms. Kerobo's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. From the total paid services population, we selected services as identified in the Independent Auditor's Report. The exception test and calculated sample size are shown in **Table 1**.

**Table 1: Exception Test and Sample**

| Universe | Population Size | Sample Size | Selected Services |
|---|---|---|---|
| **Exception Test** | | | |
| Weeks with Overtime PDN (T1000) | [redacted] | | 122 |
| **Sample** | | | |
| PDN Services (T1000) | 857 RDOS | 60 RDOS | 95 |
| **Total** | | | **217** |

A notification letter was sent to Ms. Kerobo setting forth the purpose and scope of the examination. During the entrance conference, Ms. Kerobo described her documentation practices and billing process. During fieldwork, we reviewed service documentation and verified professional licensure. We sent preliminary results to Ms. Kerobo and she subsequently submitted additional documentation which we reviewed for compliance prior to the completed 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.

[2] Payment data from the Medicaid Information Technology System.

| Table 2: Results | | | | |
|---|---|---|---|---|
| **Universe** | **Services Examined** | **Non-compliant Services** | **Non-compliance Errors** | **Improper Payment** |
| **Exception Test** | | | | |
| Weeks with PDN Overtime | 122 | 34 | 36 | $865.76 |
| **Sample** | | | | |
| PDN Services | 95 | 17 | 19 | $179.12 |
| **Total** | **217** | **51** | **55** | **$1,044.88** |

## 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 compared Ms. Kerobo's name to Office of Inspector General exclusion database and the Department's exclusion/suspension list and found no match.

*PDN Services*

In accordance with Ohio Admin. Code 5160-12-03.1(B)(1), non-agency nurses are required to be a registered nurse (RN) or an LPN at the direction of an RN practicing within the scope of their license. We verified via the e-License Ohio Professional Licensure System that Ms. Kerobo had a current and valid LPN license during the examination period.

## B. Service Documentation

In accordance with Ohio Admin. Code 5160-12-02(E)(5), PDN services are required to comply with Ohio Admin. Code 5160-12-03, which requires documentation on all aspects of services provided including, but not limited to, clinical and timekeeping records that indicate the date and time span of the services provided during each visit and the type of service provided.

We obtained service documentation from Ms. Kerobo and compared it to the required elements. We also compared units billed to documented duration. For errors where the units billed exceeded documented duration, the improper payment was based on the unsupported units. For errors where one continuous shift was billed as two shifts, the improper payment was based on the base rate and the unit rate.

*Weeks with PDN Overtime Exception Test*

The 122 services examined consisted of services from one week during each quarter of the examination period in which Ms. Kerobo used a billing code modifier (TU) to indicate overtime hours. These services contained 27 instances in which one continuous shift was billed as two separate shifts resulting in an overpayment and three instances in which the units billed exceeded the documented duration. These 30 errors are included in the improper payment of $865.76.

*PDN Sample*

The 95 services examined contained 16 instances in which one continuous shift was billed as two separate shifts resulting in an overpayment and three instances in which the units billed exceeded the documented duration. These 19 errors resulted in the improper payment amount of $179.12.

**Recommendation**

Ms. Kerobo should develop and implement procedures to ensure that all service documentation and billing practices fully comply with requirements contained in the Ohio Medicaid rules. Ms. Kerobo should address the identified issue to ensure compliance with the Medicaid rules and avoid future findings.

**C. Authorization to Provide Services**

In accordance with Ohio Admin. Code 5160-12-02(B)(2), PDN services must be provided and documented in accordance with the recipient's plan of care. We obtained plans of care from Ms. Kerobo for the selected services and confirmed they were supported by a plan of care that covered the service date, authorized the PDN service and was signed by a physician as required by Ohio Admin. Code 5160-12-03(B)(3)(b)[3]. All 217 services examined were supported by a signed plan of care.

**D. Use of Overtime Modifier**

The Department issued guidance on December 10, 2015 regarding overtime and the modifier to indicate units to be paid at an overtime rate.

*Weeks with PDN Overtime Exception Test*

The 122 services examined contained six instances in which the overtime modifier was not billed in accordance with the Department's guidance. We identified an improper payment based on the difference between the overtime and the regular pay rate. These six instances are included in the improper payment of $865.76.

**Official Response**

Ms. Kerobo declined to submit an official response to the results noted above.

[3] This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

OHIO AUDITOR OF STATE
KEITH FABER

**JOYCE KEROBO, LPN**

**HAMILTON 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 10/22/2024**

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