



STATE OF OHIO  
OFFICE OF THE AUDITOR

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JIM PETRO, AUDITOR OF STATE

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# Ohio Medicaid Program

## Mental Health Provider

*Review of Medicaid Provider Reimbursements Made to  
Southeast, Inc.*

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*A Compliance Report prepared by the*

**Fraud, Waste and Abuse  
Prevention Division**





STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
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Facsimile 614-466-4490  
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Sandra Stephenson, Executive Director  
Southeast, Inc.  
Contract #175700  
16 West Long Street  
Columbus, Ohio 43215

Dear Ms. Stephenson:

As part of a joint effort with the Ohio Department of Mental Health (ODMH), we have completed our review of selected mental health services rendered to Medicaid recipients by Southeast, Inc. during the period January 1, 1994 through June 30, 1999. We identified findings for recovery in the amount of \$5,064.29. The findings represent Medicaid overpayments which must be repaid to the Ohio Department of Mental Health and the Franklin County Alcohol Drug Addiction and Mental Health (ADAMH) Board. Therefore, please submit a check for \$3,038.57 (the Federal Financial Participation portion of the overpayment), payable to the Treasurer of State of Ohio, and mail it to:

Margie Herrel, Community Medicaid  
Program Administrator  
Ohio Department of Mental Health  
30 East Broad Street, Suite 1101  
Columbus, Ohio 43266-0414

The remaining balance of \$2,025.72 should be forwarded to:

M. Renee Bostick, CEO  
Franklin County ADAMH Board  
447 E. Broad Street  
Columbus, Ohio 43215

It is important to include your contract number on the check so that payment can be properly credited. In addition, please use the "remittance" sheets in the back of this report when remitting payment. Please be advised that in accordance with Ohio Revised Code Section 131.02, if payment is not made to the Ohio Department of Mental Health within 45 days of receipt of this report, this matter will be referred to the Ohio Attorney General's office for collection.

A copy of this report is being sent to the Ohio Department of Mental Health, the Franklin County ADAMH Board, the Ohio Department of Human Services, the Ohio State Medical Board, and the Ohio Attorney General. If you have any questions, please feel free to contact Robert I. Lidman; Deputy Chief, Fraud ,Waste and Abuse Prevention Division; at (614) 728-7216.

Yours truly,

JIM PETRO  
Auditor of State  
March 17, 2000

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**ABBREVIATIONS**

ADAMH	Alcohol Drug Addiction and Mental Health
OAC	Ohio Administrative Code
ODHS	Ohio Department of Human Services
ODMH	Ohio Department of Mental Health
ORC	Ohio Revised Code

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## ***SUMMARY OF RESULTS***

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As part of a joint effort with the Ohio Department of Mental Health, we performed a review of Southeast, Inc., Contract #175700, doing business at 16 West Long Street, Columbus, Ohio 43215. During this review, findings in the amount of \$5,064.29 were identified for recovery. The cited funds are recoverable as they resulted from Medicaid claims submitted by Southeast, Inc. for ineligible services billed and reimbursed under the Ohio Medicaid Handbook and Ohio Administrative Code (OAC). Therefore, pursuant to Ohio Revised Code Section (ORC)117.28, a finding for recovery is issued against the Provider for improperly received monies in the amount of \$5,064.29.

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## ***BACKGROUND***

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In the State of Ohio, the Ohio Department of Human Services is responsible for administering the Medicaid program. Within federal guidelines, ODHS establishes reimbursement policy, service rules and regulations, arranges with providers to render services to patients and pays provider claims. The Ohio Department of Mental Health is delegated the responsibility of administering mental health services through local community boards.

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## ***PURPOSE, SCOPE AND METHODOLOGY***

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The purpose of this review was to determine the extent of community health services billed and paid after the date of Medicaid recipients' death. Our review included only selected services which the Provider billed during the period January 1, 1994 through June

30, 1999.

To perform our review, we matched death information from the Department of Health's Bureau of Vital Statistics with paid claim information from ODMH. The purpose of the match was to determine whether providers billed and were reimbursed for services after the date of a recipient's death. For this provider, we then conducted an on-site review of claims to determine the extent and reasons for these types of billings.

We utilized ODHS' Medicaid Provider Handbook and the Ohio Administrative Code (OAC) as guidance in determining the applicable regulations and applicable reimbursement rates.

Work performed on this review was done in accordance with generally accepted government auditing standards.

A draft report was mailed to the Provider on January 20, 1999. The Provider was given ten (10) business days from receipt of the draft to provide additional documentation or otherwise respond in writing. The Provider submitted a response on January 23, 2000.

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***FINDINGS***

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Pursuant to the Ohio Medicaid Provider Handbook, Chapter 3334, Section II, Subsection (B), (OAC Section 5101:3-1-01): “Medical necessity” is the fundamental concept underlying the Medicaid program. . . “Medical necessary services” are services which are necessary for the diagnosis and treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity. . .

Pursuant to Section V, Subsection (A) (OAC Section 5101:3-1-60): Reimbursement is made only for those covered Medicaid services actually needed and received by eligible Medicaid recipients.

We reviewed 26 recipients who had 71 services billed and reimbursed after their date of death. Billings ranged from 1 day to 2 months after the recipients’ death. In all 71 services, we found that community support services had been rendered. These services included staff scheduling and attending the recipient’s funeral, talking with the grieving family, removing items from living quarters, and returning apartment keys. These types of services are not covered by the Medicaid program as they are not medically necessary to the recipient and not delivered to an eligible Medicaid recipient.

Therefore, a finding for recovery is made for \$5,064.29, which represents the amount reimbursed to the Provider for all services reviewed. This overpayment should be submitted as stated in the transmittal letter in the front of the report.

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***CONCLUSION***

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Our review identified findings for recovery in the amount of \$5,064.29. After looking over a draft of this report, the Provider submitted comments on January 23, 2000. The Provider acknowledged billing for community support services after the death of its clients and agreed to cease future billings of this type by developing a computer program to block Medicaid as a payor for these services.

The Provider also commented that they should only be required to repay the Federal Financial Participation portion<sup>1</sup> of the overpayment. ODMH’s Chief of Fiscal Policy confirmed that the amount due ODMH is the Federal Financial Participation portion, because that is the only amount charged to the Ohio Department of Human Services by the Ohio Department of Mental Health. The Fiscal Policy Chief added that the remaining costs were reimbursed by the county mental health board that oversees the provider’s activities. Therefore, because the \$5,064.29 finding for recovery represents overpayments by two different entities, we modified our report to require that \$3,038.57 (the Federal Financial Participation portion) be reimbursed to ODMH, and the remaining \$2,025.72 be reimbursed to the Franklin County Alcohol Drug Addiction and Mental Health (ADAMH) Board.

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<sup>1</sup>Federal Financial Participation refers to the 60 percent of Medicaid costs that are funded by the federal government. The remaining costs in this instance were paid from local funds.

The Provider is aware of the final amount and reason for the overpayments. In addition, the Provider is aware that if payment is not made within 45 days of release of this report, the matter will be referred to the Ohio Attorney General for collection.

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**PROVIDER REMITTANCE FORM**

Make your check payable to the Treasurer of State of Ohio and mail check along with this completed form to:

Margie Herrel, Community Medicaid  
Program Administrator  
Ohio Department of Mental Health  
30 East Broad Street, Suite 1101  
Columbus, Ohio 43266-0414

Provider: Southeast, Inc.  
16 West Long Street  
Columbus, Ohio 43215

Contract Number: 175700

Review Period: January 1, 1994 through June 30, 1999

Finding Amount: \$3,038.57

Date Payment Mailed: \_\_\_\_\_

Check Number: \_\_\_\_\_

Audit Reason: Medicaid review for services after recipient death

**IMPORTANT:** To ensure that our office properly credits your payment, please also fax this remittance form to: Charles Carle at (614) 728-7398.

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Make your check payable to the Treasurer of State of Ohio and mail check along with this completed form to:

M. Renee Bostick, CEO  
Franklin County ADAMH Board  
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Provider: Southeast, Inc.  
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Facsimile 614-466-4490

**SOUTHEAST, INC.**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 28, 2000**