



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Ohio Medicaid Program

Mental Health Provider

*Review of Medicaid Provider Reimbursements Made to
Nova Behavioral Health, Inc.*

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
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Michael D. Flora, President & Chief Executive Officer
Nova Behavioral Health, Inc.
Contract #430600
832 McKinley Avenue, N.W.
Canton, Ohio 44703

Dear Mr. Flora:

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 Nova Behavioral Health, Inc. during the period January 1, 1994 through June 30, 1999. We identified findings for recovery in the amount of \$511.82. The findings represent Medicaid overpayments which must be repaid to the Ohio Department of Mental Health and the Stark County Community Mental Health Board. Therefore, please submit a check for \$307.85 (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 \$203.97 should be made out and forwarded to:

Nadia Rizkana, C.E.O.
Stark County Community Mental Health Board
800 Market Avenue, N.
Canton, Ohio 44702

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.

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

Yours truly,

JIM PETRO
Auditor of State

June 29, 2000

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ABBREVIATIONS

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

As part of a joint effort with the Ohio Department of Mental Health, we performed a review of Nova Behavioral Health, Inc., Contract #430600, doing business at 832 McKinley Avenue, N.W., Canton, Ohio 44703. During this review, findings in the amount of \$511.82 were identified for recovery. The cited funds are recoverable as they resulted from Medicaid claims submitted by Nova Behavioral Health, 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 \$511.82.

BACKGROUND

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 (ODMH) is delegated the responsibility of administering mental health services through local community boards.

PURPOSE, SCOPE AND METHODOLOGY

The purpose of this review was to determine the extent of services provided for billed claims of community health services to Medicaid for services after the date of the recipient's death. Our review included only selected services which the Provider billed during the period January 1, 1994 through June 30, 1999. We utilized ODHS' Medicaid Provider Handbook and the Ohio Administrative Code (OAC) as guidance in determining the applicable regulations and applicable reimbursement rates.

A computer match was performed between paid claim information received from the Department of Vital Statistics and paid claim information from ODMH's database, for instances where a provider billed and was reimbursed for services after recipients' dates of death. Our initial results indicated that the Provider had billed and been paid \$11,977.11 for these types of services. We then conducted an on-site review of these claims to determine the extent of services.

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

FINDINGS

Chapter 3334, Section II, Subsection (B) of the Ohio Medicaid Provider Handbook and Section 5101:3-1-01 of the OAC state: "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. . .

Section V, Subsection (A) of the Handbook and Section 5101:3-1-60 of the OAC state: “Reimbursement is made only for those covered Medicaid services actually needed and received by eligible Medicaid recipients”.

We identified 11 recipients who had 13 services billed and reimbursed after their date of death. Dates of services claimed ranged from 1 day to a week after the recipient’s death. During our review, we found in all 13 instances, community support services were rendered. These services included staff scheduling and attending the recipient’s funeral, talking with the grieving family, and removing items from living quarters. 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 \$511.82, which represents the amount reimbursed to the Provider for services mentioned above. This overpayment should be submitted as stated in the transmittal letter in the front of the report.

We also reviewed \$11,465.29 in services provided to another recipient whose Medicaid recipient number¹ indicated she was deceased. During the review it was determined the actual recipient of the services was not deceased, and the Medicaid recipient number of another deceased person had been erroneously associated with the recipient of the services. We also determined that the actual recipient of the services was eligible for Medicaid benefits and that the Provider had billed for services using a correct Medicaid recipient number. A processing error at the county or state level had apparently caused the billing to be associated with a deceased recipient’s number. Therefore, no overpayment occurred.

CONCLUSION

Our review identified findings for recovery in the amount of \$511.82. A draft report was mailed to the Provider on April 13, 2000. The Provider was given five (5) business days from receipt of the draft to provide additional documentation or otherwise respond. The Provider submitted a response on April 17, 2000. The Provider acknowledged billing for community support services after the death of its clients. The Provider also agreed to cease future billings of this type and develop a computer program to block Medicaid as a payor for these services. In addition, the Provider submitted additional information that led us to conclude that billings had made done correctly for a Medicaid recipient who was erroneously associated with the recipient number of a deceased person.

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.

¹The Medicaid recipient number is a unique numerical identifier for eligible Medicaid patients.

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: Nova Behavioral Health, Inc.
832 McKinley Avenue, N.W.
Canton, Ohio 44703

Contract Number: 430600

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

Finding Amount: \$307.85

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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PROVIDER REMITTANCE FORM

Make your check payable to the Stark County Community Mental Health Board and mail check along with this completed form to:

Nadia Rizkana, C.E.O.
Stark County Community Mental Health Board
800 Market Avenue, N.
Canton, Ohio 44702

Provider: Nova Behavioral Health, Inc.
832 McKinley Avenue, N.W.
Canton, Ohio 44703

Contract Number: 430600

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

Finding Amount: \$203.97

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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NOVA BEHAVIORAL HEALTH, INC.

STARK 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
JUNE 29, 2000**