



Dave Yost • Auditor of State

**PEYLA VICTORIA
FRANKLIN COUNTY**

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ACRONYMS

ADL	Activities of Daily Living
AOS	Auditor of State
ASP	All Services Plan
CM	Case Manager
HC	Home Care
PA	Personal Care Aide
MMIS	Medicaid Management Information System
MITS	Management Information Technology Systems
ODJFS	Ohio Department of Job and Family Services
RDOS	Recipient Date of Service

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Dave Yost • Auditor of State

Independent Accountant's Report on Medicaid Provider Reimbursements

Peyla Victoria
2528 Jade Court
Grove City, Ohio 43123

RE: *Medicaid Provider Number 2186665*

Dear Ms. Victoria:

The Auditor of State performed an audit of Medicaid reimbursements made to Peyla Victoria, Ohio Medicaid Provider No. 2186665 (the "Provider"), during the period of September 1, 2008 to December 31, 2010. The Provider furnishes non-agency personal aide care services to Ohio Medicaid patients. Our audit was performed according to our authority in Section 117.10 of the Ohio Revised Code and our Letter of Arrangement with the Ohio Department of Job and Family Services (ODJFS).

We identified \$7,359.00 in findings for improper charges to Ohio Medicaid based on reimbursements that did not adhere to the Medicaid rules in effect at the time the services were provided. We also assessed interest in the amount of \$790.34 according to Ohio Admin. Code § 5101:3-1-25, for a total of \$8,149.34. The total amount of the findings and interest is repayable to ODJFS as of the release of this audit report. Additional interest of \$1.61 per day will accrue after July 25, 2012, until repaid.

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. In Ohio, the Medicaid program is administered by ODJFS.

Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. The rules and regulations that providers must follow are specified by ODJFS in the Ohio Administrative Code and the Ohio Medicaid E-Manuals or Handbook. The fundamental concept underlying the Medicaid program is medical necessity of services: defined as services which are necessary for the diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. See Ohio Admin. Code § 5101:3-1-01(A).

The Auditor of State performs audits to assess provider compliance with reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care, medical necessity, and sound fiscal, business, or medical practices. According to Ohio Admin. Code § 5101:3-1-17.2(D), 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 or until any audit initiated within the six year period is completed. When the AOS identifies fraud, waste or abuse by a provider in an audit,¹ any amount in

¹ "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "Waste and abuse" are practices that are inconsistent with professional standards of care; medical necessity;

excess of that legitimately due to the provider will be recouped by ODJFS through its office of fiscal and monitoring services, the state auditor, or the office of the attorney general." Ohio Admin. Code § 5101:3-1-29(B).

Some Ohio Medicaid patients in an Ohio home care waiver program may be eligible to receive personal care or home health aide services in the patient's home for assistance with activities of daily living, to avoid costly nursing home stays. See Ohio Admin. Code §§ 5101:3-46-02(A) and 5101:3-46-04(B)(1). Qualifying home health aide services cannot exceed the number of hours approved by a case manager in an All Services Plan (ASP), and the aide is subject to monitoring via an annual ODJFS structural review. Ohio Admin. Code §§ 5101:3-46-04(B)(2) and (7)(d).

Purpose, Scope, and Methodology

The purpose of this audit was to determine whether the Provider's Medicaid claims for reimbursement of personal aide services complied with Ohio Medicaid regulations and to identify, if appropriate, any findings resulting from non-compliance.

An engagement letter was sent to the Provider on October 4, 2011, setting forth the purpose and scope of the audit. The scope of the audit was limited to claims for which the Provider rendered waived personal care aide services to Medicaid patients and received payment during the period of September 1, 2008 to December 31, 2010. The Provider was reimbursed \$155,786.12 for 2,554 services rendered on 852 recipient dates of service (RDOS) during the audit period. A recipient date of service (RDOS) is defined as all services for a given patient on a specific date of service.

We reviewed the Provider's paid claims history from ODJFS' Medicaid Management Information System (MMIS) database of services billed to and paid by Ohio's Medicaid program. This claims data included patient name, patient identification number, date of service, and the service rendered.

Prior to beginning our fieldwork, we performed a series of computerized exception tests on the Provider's Medicaid payments to determine if any potentially inappropriate reimbursements occurred. These exception tests included:

- Whether there were claims billed for the same patient, for the same date, for the same procedure, for the same procedure modifier, for the amount, but on a different claim indicating a potential duplicate bill; and
- If there were services billed for deceased recipients after their dates of death.

Both exception tests were negative.

We obtained all the ASPs for the Provider's only client during the audit period from ODJFS (Carestar Agency) and performed a 100 percent comparison between approved waived personal aide service hours and hours billed by the Provider during the audit period. We verified that the Provider's billing did not exceed the hours authorized on the ASPs. See Ohio Admin. Code § 5101:3-46-04(B).

Personal care aides are required to maintain documentation that clearly shows the date of service delivery, the personal care aide services tasks performed or not performed, the arrival and departure times, and the signatures of the personal care aide and consumer or authorized representative upon completion of service delivery. Ohio Admin. Code § 5101:3-46-04 (B)(8)(g). We selected a statistical random sample to facilitate a timely and efficient audit of the Provider's personal aide services as

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 § 5101:3-1-29(A).

permitted by Ohio Admin. Code § 5101:3-1-27 (B)(1). Our fieldwork was performed between November 2011 and May 2012.

Results

We identified findings of \$7,359.00 from our statistical sample of the Provider's personal aide services. The bases for our findings are discussed below in more detail.

We reviewed a random sample of the Provider's records for 224 RDOS (or 671 services). We identified 21 dates of service (47 services) where the Provider either did not furnish any documentation or supplied insufficient documentation to show that services were actually performed. We therefore disallowed the reimbursement for these services, totaling \$2,862.74, and used the amount in our overall finding projection.

The overpayments identified for 21 of 224 RDOS (or 47 of 671 services) from our random sample were projected across the Provider's paid population of personal care services. This resulted in a projected overpayment amount of \$10,889.00 with a precision of plus or minus \$4,212.00 (38.68 percent) at the 95 percent confidence level. However, since the precision range was greater than our procedures require for use of a point estimate, the results were restated as a single tailed lower-limit estimate using the lower limit of a 90 percent confidence interval (equivalent to method used in Medicare audits). Consequently we are 90 percent certain the population overpayment amount is at least \$7,359.00. A detailed summary of our statistical sample and projection results is presented in Appendix I.

Matters for Attention

Although the following matters did not result in monetary findings during the current audit, we are bringing it to the attention of the Provider as areas of concern that could result in future findings or revocation of the provider agreement.

1. Missing Progress Notes

Personal care aides must maintain signed and dated progress notes that document all communications with the Case Manager, treating physician, all members of the multidisciplinary team, and documenting any unusual events occurring during the visit, and the general condition of the consumer. See *Ohio Admin. Code § 5101:3-46-04 (B)(8)(h)*.

We observed that the Provider did not always maintain progress notes and the progress notes given to us by the Provider were often not dated, did not always describe the required elements of daily activities, many did not describe the condition of the patient or describe any unusual events during the visit. In 98 of the 671 services reviewed (14.6 percent) we could not associate a progress note with the date of service.

We recommend that the Provider attend additional training on documenting service delivery and maintaining clinical records per Ohio Admin. Code § 5101:3-46-4(B)(8) to avoid problems in the future.

2. Records Created Years After Alleged Service

On April 25, 2012, we sent the Provider a list of missing or incomplete documentation relating to the RDOS in our audit sample. The Provider sent us additional records on May 14, 2012. After reviewing the records, we were concerned that they were not prepared at the time of the alleged service but

were instead, created years later in response to our letter. Although not expressly stated in Ohio Admin. Code § 5101:3-46-4(B)(8), it is certainly implied that the Provider's clinical records must be prepared contemporaneously with the service she allegedly provided. We contacted the Provider to discuss these records, and she informed us that she found additional calendars and reconstructed what she thought she did on the dates of service for which she was missing records. After we informed her that knowingly creating documents to avoid potential Medicaid overpayments was a violation of Ohio Rev. Code §§ 2921.12 and 2913.40(D), the Provider admitted to creating all of these new records after she received our April 25, 2012 letter identifying the missing or incomplete documentation.

Since these records were not prepared as required by Ohio Admin. Code § 5101:3-46-4(B)(8), we did not accept any of them to support the RDOS in our audit sample with missing or incomplete documentation.

Conclusion

We found the Provider was overpaid by Ohio Medicaid for personal care aide services between September 1, 2008 and December 31, 2010 in the amount of \$7,359.00. These finding plus interest in the amount of \$790.34 totaling \$8,149.34, is immediately due and payable to ODJFS as of the date this audit report is released. After July 25, 2012, additional interest will accrue at the rate of \$1.61 per day until the finding and interest is paid in full.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on July 25, 2012, and the Provider was afforded an opportunity to respond to this audit report. We did not receive a response from the Provider to the exceptions noted above.

We are forwarding this report to ODJFS because it is the state agency charged with administering Ohio's Medicaid program. ODJFS is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting ODJFS' Office of Legal Services at (614) 466-4605.

Copies of this report are also being sent to the Medicaid Fraud Control Unit of the Ohio Attorney General's Office; the U.S. Department of Health and Human Services/Office of Inspector General; and the Ohio Board of Nursing. In addition, copies are available to the public on the Auditor of State website at www.auditor.state.oh.us.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

July 25, 2012

cc: Ohio Attorney General, Medicaid Fraud Control Unit
Ohio Department of Job and Family Services, Surveillance and Utilization Review Section
U. S. Department of Health and Human Services/Office of Inspector General
Ohio Department of Health

APPENDIX I

**Summary of Sample Record Analysis for Victoria Peyla
 For the period September 1, 2008 through December 31, 2010
 Personal Care Aide Services**

Description	Audit Period [September 1, 2008 – December 31, 2010]
Type of Examination	Simple Random Sample of Services
Description of Population Sampled	All paid personal care aide services.
Total Medicaid Amount Paid For Population Sampled	\$155,756.12
Number of Population Services Provided	2,554
Amount Paid for Services Sampled	\$41,008.08
Number of Services Sampled	671
Estimated Overpayment using Point Estimate	\$10,889.00
Precision of Overpayment Estimate at 95% Confidence Level	\$4,212.00 (38.68 percent)
Precision of Overpayment Estimate at 90% Confidence Level (Two-Tailed Estimate)	\$3,530.00(32.42 percent)
Single-tailed Lower Limit Overpayment Estimate at 95% Confidence Level (Equivalent to 90% two-tailed Lower Limit used for Medicare audits). Used as Finding Amount.	\$7,359.00

Source: AOS analysis of MITS information and the Provider's medical records



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PEYLA VICTORIA

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
SEPTEMBER 4, 2012