



Dave Yost • Auditor of State

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**TOTAL HOME HEALTH CARE, INC.
FRANKLIN COUNTY**

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Independent Accountant's Report

Jirom Micael, President
Total Home Health Care Inc.
1809 East Main Street
Columbus, Ohio 43205

RE: Medicaid Provider Number 2366961

Dear Ms. Micael:

We have examined Total Home Health Care, Inc. (the Provider) for compliance with Ohio Administrative Code (Ohio Admin. Code) §§ 5101:3-12, 5101:3-46-04, and 5101:3-50-04 during the period of July 1, 2007 to June 30, 2011. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Management is responsible for Total Home Health Care's compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 230 personal care aide services and 286 home health aide services and identified 253 errors relating to non-compliance with those requirements. We found the Provider was overpaid by Ohio Medicaid for personal care and home health aide services between July 1, 2007 and June 30, 2011 in the amount of \$1,484,228.00. This finding plus interest in the amount of \$143,461.82 totaling \$1,627,689.82, is immediately due and payable to the ODJFS as of the date this examination report is released. After October 10, 2012, additional interest will accrue at the rate of \$325.31 per day until the finding and interest is paid in full.

When the AOS identifies fraud, waste or abuse by a provider in an examination,¹ any amount in 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). Therefore, a copy of this report will be forwarded 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.

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; 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).

Total Home Health Care, Inc.
Independent Accountant's Report on
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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 Department of Health. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

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

October 10, 2012

Compliance Report for Total Home Health Care Inc.

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 in the Ohio Administrative Code and the Ohio Revised Code. 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 examinations 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, and medical necessity. 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.

The Provider's Ohio Medicaid Provider number is 2366961 and the Provider is a Medicare Certified Home Health Agency located in Franklin County, Ohio, that furnishes waiver and state plan services to Ohio Medicaid recipients. The Provider received reimbursement of \$2,638,162.06 for 65,847 home health aide services and \$1,474,265.51 for 23,182 personal care aide services rendered on 52,275 recipient dates of service (RDOS)² during the examination period. The personal care and home health aide services accounted for 75 percent of the total reimbursement received from ODJFS. .

Ohio Medicaid recipients may be eligible to receive personal care or home health aide services in the patient's home. Personal care aides assist the consumer with activities of daily living such as bathing, dressing, household chores and accompanying the consumer to medical appointments. See Ohio Admin. Code §§ 5101:3-46-04(B)(1-3), and 5101:3-50-04(B)(1-3). While home health aide services include assisting the consumer with activities of daily living however they also help the consumer maintain a certain level of health in order to remain in the home setting. See Ohio Admin. Code § 5101:3-12-01(F)(2).

Qualifying personal care aide services are rendered to consumers in an ODJFS administered waiver program. Personal care aide services are authorized in the all services plan (ASP). The ASP lists all services approved for the consumer under the waiver program, including the type of service, frequency and duration; and it specifies which provider can render services and subsequently bill Ohio Medicaid for those services. The number of units billed cannot exceed the number of units approved by a case manager. Ohio Admin. Code §§ 5101:3-46-04(B)(2) and 5101:3-50-04(B)(2). Prior to rendering services, personal care aides are required to complete a competency evaluation and maintain a current first aid certification. Ohio Admin. Code §§ 5101:3-46-04(B)(6a) and 5101:3-50-04(B)(6a). Documentation to support the service rendered must include; the date of service, the

² A recipient date of service is defined as all services for a given patient on a specific date of service.

tasks performed or not performed, the arrival and departure times, and the signature of the personal care aide. Ohio Admin Code §§ 5101:3-46-04(B)(8)(g) and 5101:3-50-04(B)(8)(g).

Consumers who are not enrolled in an ODJFS administered waiver may be eligible for home health aide services described in Title 42 of the Code of Federal Regulation Part 484.36 however the services must be authorized in the consumer's plan of care (POC). See Ohio Admin. Code § 5101:3-12-01(F)(2). The POC must indicate the type of service to be provided as well as the frequency of the service and must be reviewed and signed by the physician at least every 60 days. Home health aides are employed by the certified agency providing the home health service and are required to have completed a competency evaluation prior to rendering services. The certified agency must maintain documentation of services provided to include but not limited to clinical records and time keeping records that indicate time span of the service and the type of service provided. See Ohio Admin Code § 5101:3-12-03(C)(4).

Purpose, Scope, and Methodology

The purpose of this examination was to examine Medicaid reimbursements made to the Provider for services rendered during July 1, 2007 through June 30, 2011 and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. At the conclusion of the examination, we will identify, if appropriate, any findings resulting from non-compliance.

The scope of the engagement was limited to an examination of personal care and home health aide services for which the Provider rendered services to Medicaid patients and received payment during the period of July 1, 2007 to June 30, 2011.

We received 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. We obtained all of the ASPs for the clients receiving waiver personal care aide services during the examination period from ODJFS (Carestar Agency) as well as timesheets and plans of care (POC) from the Provider. We selected a statistical random sample to facilitate a timely and efficient examination of the Provider's personal care and home health aide services as permitted by Ohio Admin. Code § 5101:3-1-27 (B)(1). We also randomly selected 15 employees that rendered personal care and/or home health aide services during the review period, to ensure that the certification requirements were met prior to rendering services.

An engagement letter was sent to the Provider on April 17, 2012, setting forth the purpose and scope of the examination. Our fieldwork was performed between May 2012 and June 2012. On June 4, 2012 we sent a list of missing records to the Provider. We received no additional records and communicated this status to the Provider on two subsequent dates in an effort to obtain all available records.

Results

We identified 253 errors and the reimbursements for those services were disallowed. In addition, we used the errors to calculate a projected finding of \$1,484,228.00 across the entire population of services billed to Ohio Medicaid. While certain services had more than one error, only one finding was made per service. The basis for our findings is discussed below in more detail.

A. Personal Care Aide Services

A statistical sample of 230 personal care aide services was selected and examined to ensure that there was substantive documentation to support the service rendered. In addition, we randomly selected five employees that rendered personal care aide services during the review period. A

review of personnel records found that none of the five employees had a first aid certification or competency evaluation that is required prior to rendering services. See Ohio Admin Code §§ 5101:3-46-04(B)(6) and 5101:3-50-04(B)(6). The examination of personal care aide services identified 82 errors:

- 54 services with no timesheet to support the date of service;
- 20 services rendered by an ineligible employee;
- 2 services in which the date of service was prior to the start date on the ASP;
- 4 services where the consumer did not sign the timesheet; and
- 2 services where the Provider billed more units than the units documented.

Personal care aide services with errors were disallowed, totaling \$5,096.62 and were used in the amount of the overall finding projection.

B. Home Health Aide Services

A statistical sample of 286 home health aide services was selected and examined to ensure that there was substantive documentation to support the service rendered. We also randomly selected 10 employees that rendered home health aide services during the review period. The review of personnel records identified seven employees that had not successfully completed a competency evaluation prior to rendering services (42 CFR 484.36). The examination of home health services found 171 errors:

- 55 services with no valid POC to authorize services;
- 53 services with no timesheet to support the date of service;;
- 43 services rendered by an ineligible employee;
- 18 services where the timesheet did not support the units billed; and
- 2 services where the POC did not include home health aide services.

Therefore, the errors were disallowed, totaling \$5,906.48 and used in the amount of the overall finding projection.

Summary of Statistical Sample Results

A. Personal Care Aide Services

The overpayments identified for 52 of 138 RDOS (or 81 of 230 services) from our random sample were projected across the Provider's paid population of personal care aide services. This resulted in a projected overpayment amount of \$564,378.00 with a precision of plus or minus \$141,067 (25.00 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 \$445,991. A detailed summary of our statistical sample and projection results is presented in **Appendix I** for personal care services.

B. Home Health Aide Services

The overpayments identified for 67 of 135 RDOS (or 129 of 286 services) from our random sample were projected across the Provider's paid population of home health aide services. This resulted in a projected overpayment amount of \$1,259,408 with a precision of plus or minus \$263,541 (20.93 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 \$1,038,237. A detailed summary of our statistical sample and projection results is presented in **Appendix II** for home health aide services.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on September 25, 2012, and the Provider was afforded an opportunity to respond to this examination report.

We did not receive a response from officials to the errors noted above. We contacted the Provider by phone to confirm that no response was submitted.

APPENDIX I

Summary of Sample Record Analysis for Total Home Health Care, Inc. For the period July 1, 2007 through June 30, 2011 Personal Care Aide Services

Description	Results of Analysis
Type of Examination	Stratified Random Sample
Description of Population Sampled	Paid Personal Care Aide Services less services for which ODJFS had already taken findings
Total Medicaid Amount Paid for Population Sampled	\$1,474,265.51
Number of Population Services Provided	23,182
Number of Population Recipient Dates of Service (RDOS)	14,764
Amount Paid for Services Sampled	\$14,357.08
Number of Services Sampled	230
Number of RDOS Sampled	138
Estimated Overpayment using Point Estimate	\$564,378.00
Precision of Overpayment Estimate at 95% Confidence Level	+/- \$141,067.00 (25.00%)
Precision of Overpayment Estimate at 90% Confidence Level	+/- \$118,387.00 (20.98%)
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.	\$445,991.00

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

APPENDIX II

Summary of Sample Record Analysis for Total Home Health Care, Inc. For the period July 1, 2007 through June 30, 2011 Home Health Aide Services

Description	Results of Analysis
Type of Examination	Stratified Random Sample
Description of Population Sampled	Paid Home Health Aide services less services for which ODJFS had already taken findings
Total Medicaid Amount Paid for Population Sampled	\$2,638,162.06
Number of Population Services Provided	65,847
Number of Population Recipient Dates of Service (RDOS)	37,508
Amount Paid for Services Sampled	\$13,158.16
Number of Services Sampled	286
Number of RDOS Sampled	135
Estimated Overpayment using Point Estimate	\$1,259,408.00
Precision of Overpayment Estimate at 95% Confidence Level	+/- \$263,541.00 (20.93%)
Precision of Overpayment Estimate at 90% Confidence Level	+/- \$221,171.00 (17.56%)
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.	\$1,038,237.00

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



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TOTAL HOME HEALTH CARE 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
OCTOBER 23, 2012**