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**ANGELS ON ASSIGNMENT HOME HEALTH, LLC
FRANKLIN COUNTY**

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Independent Accountant's Report

Nannette Lewis-Payne, Chief Executive Officer
Angels on Assignment Home Health, LLC
5027 Etna Road
Columbus, Ohio 43213

Re: *Medicaid Provider Number 2902925*

Dear Ms. Lewis:

We examined Angels on Assignment Home Health, LLC (the Provider) for compliance with Ohio Medicaid rules including Ohio Administrative Code (Ohio Admin. Code) § 5101:3-15 during the period of January 1, 2009 through June 30, 2011. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Management is responsible for the Provider's compliance with those requirements. Our responsibility is to express an opinion 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 that 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 216 ambulette transports which also included 215 mileage codes (total of 431 service lines) and identified 119 errors relating to non-compliance with those requirements (see Compliance Report). We found the Provider was overpaid by Ohio Medicaid for ambulette services between January 1, 2009 and June 30, 2011 in the amount of \$53,529.00. This finding plus interest in the amount of \$5,021.46 (calculated as of February 7, 2013) totaling \$58,550.46 is due and payable to the Office of Medical Assistance (OMA) upon OMA's adoption and adjudication of this examination report.¹ After adjudication by OMA, additional interest may be assessed until the finding and interest is paid in full.

When the AOS identifies fraud, waste or abuse by a provider in an examination,² any amount in excess of that legitimately due to the provider will be recouped by OMA 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 OMA because it is the state agency

¹ Effective September 10, 2012, OMA replaced the Ohio Department of Job and Family Services (ODJFS) as the single state agency responsible for supervising the administration of Ohio's Medicaid program pursuant to Ohio Rev. Code § 5111.01.

² "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).

charged with administering Ohio's Medicaid program. OMA 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 OMA's Office of Legal Services at (614) 752-3631.

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 Medical Transportation Board. 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

April 30, 2013

Compliance Report for Angels on Assignment Home Health, LLC

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. 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 Medicaid 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. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5101:3-1-17.2(E); see also Ohio Admin. Code § 5101:3-1-27(C),(E),(F).

The Provider's Ohio Medicaid provider number is 2902925 and the Provider is a transportation company located in Franklin County, Ohio, that renders ambulette services to Ohio Medicaid recipients. The Provider received reimbursement of \$271,796.48 for 18,432 ambulette services (transports and mileage codes) rendered on 4,526 recipient dates of service³ during the examination period.

Some Ohio Medicaid patients confined to a wheelchair may be eligible to receive transportation services provided by an ambulette provider. See Ohio Admin. Code § 5101:3-15-03(B)(2). An ambulette is a vehicle designed to transport wheelchair bound individuals. Qualifying ambulette services must be certified as medically necessary by an attending practitioner,⁴ for individuals who are:

1. Non-ambulatory,
2. Able to be safely transported in a wheelchair, and
3. Do not require an ambulance.

All medical transportation services must be prescribed by a practitioner in a Certificate of Medical Necessity (CMN) except for ambulance transports to a hospital emergency room and ambulance or ambulette transfers of individuals, who are non-ambulatory, from one hospital to another hospital if

³ A recipient date of service is defined as all services for a given patient on a specific date of service.

⁴ "Attending practitioner" is defined as the practitioner (*i.e.*, primary care practitioner or specialist) who provides care and treatment to the patient on an ongoing basis and who can certify the medical necessity for the transport. An attending practitioner can be a doctor of medicine, a doctor of osteopathy, a doctor of podiatric medicine, or an advanced practice nurse. Ohio Admin. Code § 5101:3-15-01(A)(6).

the services provided at the second hospital are covered by Medicaid. See Ohio Admin. Code § 5101:3-15-02(E)(4).

Ambulette providers must maintain records describing the transportation services including:

- The time of scheduled pick up and drop off, attendant name, patient name and Medicaid number, driver name, vehicle identification, name and address of the Medicaid covered service provider at the Medicaid covered point of transport, pick-up and drop-off times, the type of transport provided, and mileage;
- the original CMN; and
- Current certification or licensure for the driver and attendants.

See Ohio Admin. Code § 5101:3-15-02(E)(2)

Purpose, Scope, and Methodology

The purpose of this review was to examine Medicaid reimbursements made to the Provider for services and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. Please note that all rules and code sections relied upon in this report were those in effect during the audit period and may be different from those currently in effect. 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 ambulette services for which the Provider rendered services to Medicaid recipients and received payment during the period of January 1, 2009 through June 30, 2011.

We received the Provider's paid claims history from the Medicaid Management Information System (MMIS) database of services billed to and paid by Ohio's Medicaid program. We selected a statistical random sample to facilitate a timely and efficient examination of the Provider's ambulette services as permitted by Ohio Admin. Code § 5101:3-1-27(B)(1). We reviewed Trip Sheets and CMNs obtained from the Provider to verify that the Provider rendered services in accordance with the Ohio Medicaid rules. We also examined personnel files for those individuals that were employed as drivers 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 July 25 2012, setting forth the purpose and scope of the examination. An entrance conference was held with the Provider on August 14, 2012 and our fieldwork was performed in August and September, 2012. After conducting our initial review of records on-site, we submitted a list of missing records to the Provider. The Provider submitted additional documentation that was reviewed for compliance. An exit conference was held on April 9, 2013. The Provider submitted additional documentation prior to the exit conference which was reviewed for compliance.

Results

We reviewed 216 transportation base codes and 215 mileage codes (431 ambulette transportation service lines) and identified 119 errors. The 119 errors noted resulted in the identification of overpayments for 33 of 108 recipient dates of service (119 of 431 service lines) from our random statistical sample. The reimbursements for those services with errors were disallowed, totaling \$1,711.34. While certain services had more than one error, only one finding was made per service. The bases for our findings are discussed below in more detail.

The overpayments identified from our statistical random sample were projected across the Provider's total population of paid recipient dates of service. This resulted in a projected

overpayment amount of \$71,718.00 with a precision of plus or minus \$21,732.00 at the 95 percent confidence level. Since the precision percentage achieved was greater than our procedures require for use of a point estimate, the results were re-stated as a single-tailed lower-limit estimate (equivalent to the method used in Medicare audits), and a finding was made for \$53,529.00. This allows us to say that we are 95 percent confident that the population overpayment amount is at least \$53,529.00. A detailed summary of our statistical sample and projection results is presented in **Appendix I**.

A. Certificate of Medical Necessity

All transportation providers are required by Ohio Admin. Code § 5101:3-15-02(E)(2) to obtain a CMN that has been signed by an attending practitioner that documents the medical necessity of the transport. Ambulette providers must obtain the completed, signed and dated CMN prior to billing the transport. See Ohio Admin. Code § 5101:3-15-02(E)(4)(d)

The review identified 26 transports (52 services) that did not have a completed CMN to authorize the transport and 30 transports (59 services) where the CMN was invalid. A CMN is invalid if it contains no information to support that ambulette transport was necessary or the CMN is not signed by a qualified attending practitioner. The 56 transports (111 services) were disallowed and were used in the overall finding projection.

We also noted that many of the CMNs we reviewed were missing the medical condition that requires the patient to use an ambulette and/or the attending practitioner did not indicate that the patient met the required conditions to establish the medical necessity of the ambulette service. We recommend that the Provider develop and implement a system of internal controls to ensure that all areas of the CMN are completed prior to billing for services. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

B. Trip Documentation

Trip documentation should describe the transport from the time of pick-up, time of drop-off, mileage, addresses to and from destination points and the driver's name for each trip. This requirement is necessary to calculate the correct payment prior to billing Ohio Medicaid. See Ohio Admin. Code § 5101:3-15-02(E)(2)(a).

The examination found the following non-compliance issues with the Provider's trip documentation:

- 6 transports with either no service documentation or the documentation did not reflect transport to a Medicaid covered service; and
- 5 transports in which the mileage billed was not supported by the documentation.

These services were disallowed and were used in the overall finding projection. We recommend that the Provider develop and implement a system of internal controls to ensure that all required elements are documented prior to billing for services. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Driver Qualifications

All ambulette drivers must pass a criminal background check and have a signed medical statement from a licensed physician declaring the individual does not have a medical, physical

or mental condition or impairment which could jeopardize the health or welfare of patients being transported. Also, each driver must undergo testing for alcohol and controlled substances by a certified laboratory and be determined to be drug free. Background checks, medical statements, and drug test results must be completed and documented before the driver begins providing ambulette services or within 60 days thereafter. Prior to employment, each driver must obtain first aid and Cardiopulmonary Resuscitation (CPR) certification (or have an Emergency Medical Technician certification), provide a copy of his/her driving record from the Bureau of Motor Vehicles (BMV), and complete passenger assistance training. In addition, each driver must provide copy of BMV driving record on annual basis. See Ohio Admin. Code § 5101:3-15-02(C)(3).

The Provider stated that there were three drivers during the audit period. During the review, it was noted that most of the trip sheets were signed by one driver. The Provider explained that this one driver completed the paperwork and then signed as the driver for transports performed by one of the other two drivers. Therefore, we were not able to identify the actual driver for each transport. In addition, the review of personnel files noted that although the Provider had obtained background check for each driver, the background checks did not meet the requirements set in Ohio Admin. Code § 5101:3-15-02(C)(3)(a)(iii). Other non-compliance issues identified include: no proof of first aid certifications for two drivers, lack of annual driving records, and we could not verify that one driver had a valid driver's license during the examination period.

According to Ohio Admin. Code § 5101:3-15-02(C)(3)(a)(vi) drivers having six or more points on their driver record cannot be an ambulette driver. While it is outside of the examination period, we noted that in 2012, one of the drivers had six points on his driving record and continued transporting clients.

We recommend that the Provider develop and implement a system to ensure that all drivers meet eligibility requirements prior to providing any additional services. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on March 26, 2013 and the Provider was afforded an opportunity to respond to this examination report.

In responding to the report, the Provider acknowledged that it made mistakes by being a new company but it did not knowingly request reimbursement that was not rightfully earned. The Provider indicated steps taken to address issues of non-compliance including sending an example detailing how the CMN is to be completed by the attending practitioner for each trip. The Provider indicated that all drivers now sign their own trip sheets and that drivers are educated on properly completing the trip sheets. The Provider noted that it will ensure that all drivers meet qualifications going forward and that documentation for each driver is now maintained.

APPENDIX I

**Summary of Sample Record Analysis for: Angels on Assignment Home Health, LLC
 For the period January 1, 2009 to June 30, 2011**

Description	Results
Type of Examination	Simple Random Sample
Description of Population	Final paid ambulette services net of any adjustments
Number of Recipient Dates of Service (RDOS) in Population	4,526
Number of Recipient Dates of Service Sampled	108
Number of Services in Population	18,432
Number of Services Sampled	431
Total Medicaid Amount Paid for Population	\$271,796.48
Amount Paid for Services Sampled	\$6,448.06
Estimated Overpayment (Point Estimate)	\$71,718.00
Precision of Overpayment Estimate at 95 percent Confidence Level	\$21,732.00
Precision of Overpayment Estimate at 90 percent Confidence Level	\$18,189.00
Single-tailed Lower Limit Overpayment Estimate at 95 percent Confidence Level (Calculated by subtracting the 90 percent overpayment precision from the point estimate) (Equivalent to the estimate used for Medicare Audits)	\$53,529.00

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

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ANGELS ON ASSIGNMENT HOME HEALTH AGENCY LLC

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
MAY 28, 2013**