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**KEYCARE NURSING SERVICES, LLC  
FRANKLIN COUNTY**

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO HOME HEALTH NURSING SERVICES**

Cheryl Mosley, Owner/Administrator  
Keycare Nursing Services, LLC  
5378 Whirlwind Cove Drive  
Hilliard, Ohio 43026

RE: *Medicaid Provider Number 2763942*

Dear Ms. Mosley:

We examined your (the Provider) compliance with specified Medicaid requirements for service documentation and service authorization related to the provision of home health nursing services during the period of July 1, 2011 through June 30, 2014. We tested service documentation to verify that there was support for the date of service, the procedure code, and the units billed to and paid by Ohio Medicaid. We also examined the plans of care to determine if the Provider was authorized to render skilled nursing services and reviewed provider qualifications. The accompanying Compliance Examination Report identifies the specific requirements examined.

### ***Provider's Responsibility***

The Provider entered into an agreement with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients (the Provider Agreement). The Provider Agreement outlines the responsibility to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, and the regulations and policies set forth in the Medicaid Handbook including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Therefore, the Provider is responsible for complying with the requirements and laws outlined by the Medicaid program.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion and report on the Provider's compliance with the specified Medicaid requirements based on our examination. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code and conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and, accordingly, included examining, on a test basis, evidence supporting the Provider's compliance with those Medicaid requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. However, our examination does not provide a legal determination on the Provider's compliance with the specified Medicaid requirements.

### ***Internal Control Over Compliance***

The Provider is responsible for establishing and maintaining effective internal control over compliance with the Medicaid requirements. We did not perform any test of the internal controls and we did not rely on the internal controls in determining our examination procedures. Accordingly, we do not express an opinion on the effectiveness of the Provider's internal control over compliance.

**Opinion on Compliance**

In our opinion, the Provider complied, in all material respects, with the aforementioned requirements pertaining with home health nursing services for the period of July 1, 2011 through June 30, 2014.

Our testing was limited to the specified Medicaid requirements detailed in the Compliance Examination Report. We did not test other requirements and, accordingly, we do not express an opinion on the Provider's compliance with other requirements.

We found the Provider was overpaid by Ohio Medicaid for services rendered between July 1, 2011 and June 30, 2014 in the amount of \$1,747.35. This finding plus interest in the amount of \$76.08 totaling \$1,823.43 is due and payable to ODM upon ODM's adjudication of this examination report. When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,<sup>1</sup> any payment amount in excess of that legitimately due to the provider will be recouped by ODM, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B)

This report is intended solely for the information and use of the ODM, the Ohio Attorney General's Office, the U.S. Department of Health and Human Services/Office of Inspector General, and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties. In addition, copies are available to the public on the Auditor of State website at [www.ohioauditor.gov](http://www.ohioauditor.gov).



**Dave Yost**  
Auditor of State

November 3, 2015

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<sup>1</sup> "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 § 5160-1-29(A)

## COMPLIANCE EXAMINATION REPORT

### Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. 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 prevention, diagnosis, evaluation or treatment of an adverse health condition. See Ohio Admin. Code § 5160-1-01(B) According to Ohio Admin. Code § 5160-1-17.2(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 from receipt of payment 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 § 5160-1-17.2(E)

The Provider is a Medicare Certified Home Health Agency (MCRHHA), which furnished home health nursing and speech therapy services during our examination period. The Provider received a total reimbursement of \$831,737.18, which included \$831,247.60 for 15,848 home health skilled nursing services and \$489.58 for seven speech pathology services, rendered on 1,096 dates of service.

Ohio Medicaid recipients may be eligible to receive home health nursing services. The only provider of home health nursing services is a MCRHHA that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Home Health nursing services must be provided in accordance with the recipient's plan of care. The plan of care is the medical treatment plan that is established and approved by the treating physician. Ohio Admin. Code § 5160-45-01(QQ)

### Purpose, Scope, and Methodology

The purpose of this examination was to 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 examination period and may be different from those currently in effect.

The scope of the engagement was limited to an examination of home health skilled nursing services, 15 minute unit (procedure code G0154), that the Provider rendered to Medicaid recipients and received payment during the period of July 1, 2011 through June 30, 2014.

We obtained the Provider's claims history from the Medicaid Information Technology System (MITS) database of services billed to and paid by Ohio's Medicaid program. We selected a statistical sample to facilitate a timely and efficient examination of the Provider's services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). From the population of paid services, we extracted all home health nursing services (procedure code G0154) and summarized these by date of service. We then selected a simple random sample of 35 dates of service and obtained the detailed services for the selected dates. This resulted in a sample of 513 home health nursing services.

An engagement letter was sent to the Provider on May 26, 2015 setting forth the purpose and scope of the examination. An entrance conference was held on June 3, 2015 with the Provider. During the entrance conference the Provider described its documentation practices, personnel procedures and billing process. As the Provider operates out of a private residence, records were transported to our office for review. Our field work was performed following the entrance conference. A list of missing records was supplied to the Provider on two occasions during the course of the examination. All additional records provided were reviewed for compliance.

## Results

We reviewed a statistical sample of 513 services and identified 42 errors resulting in an overpayment of \$1,747.35. The basis for our findings is discussed below in more detail.

### A. Provider Qualifications

According to Ohio Admin. Code § 5101:3-12-01 (F)<sup>2</sup>, home health nursing services require the skills of and must be performed by a registered nurse (RN) or a licensed practical nurse (LPN) at the direction of a registered nurse. The nurse performing the service must be employed or contracted by the MCRHHA providing the service.

We verified through the Ohio e-License Center that the two RNs and four LPNs who provided services in our sample were certified by the Ohio Board of Nursing. All six had an active license during the period of time they performed services in our sample.

### B. Plan of Care

In order for home health services to be covered, MCRHHAs must provide home health services as specified in the plan of care in accordance with rule 5101:3-12-03 of the Administrative Code. See Ohio Admin. Code § 5101:3:12-01(E)(3)(a) In addition, Ohio Admin. Code § 5101:3:12-03(B) requires that MCRHHAs implement policy components as specified in the Medicare Benefit Policy Manual, Chapter Seven: Home Health Services for "Content of the Plan of Care" section 30.2 which states the plan of care must be reviewed and signed by the physician who established the plan of care, at least every 60 days. Each review of a recipient's plan of care must contain the signature of the physician and the date of review.

We reviewed the plans of care in effect for the 513 home health nursing services in our sample and found 14 services in which the plan of care was not signed and/or dated by the physician and 10 services in which there was no plan of care. The overpayments associated with these 24 errors were used in the overall finding of \$1,747.35.

We also identified seven services in which either the plan of care or the addendum to the plan of care was signed and dated but both pages were not signed. In these instances, we accepted either the plan of care or the addendum to the plan of care as authorization for the services.

#### **Recommendation:**

The Provider should develop and implement procedures to ensure all plans of care are signed and dated by the recipient's treating physician prior to rendering services. The Provider should also ensure the signed and dated plans of care are maintained in the recipient files. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

### C. Service Documentation

The MCRHHA must maintain documentation of home health services provided that includes, but is not limited to, clinical records and time keeping records that indicate the date and time span of the visit and the type of service provided. See Ohio Admin Code § 5101:3-12-03(C)(4)

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<sup>2</sup> Per Section 323.10.70 of Am. Sub. H. B. 59 of the 130<sup>th</sup> General Assembly, the Legislative Services Commission renumbered the rules of the Office of Medical Assistance within the Department of Job and Family services to reflect its transfer to ODM. The renumbering became effective on October 1, 2013.

**C. Service Documentation (Continued)**

We reviewed 513 services in our sample and found seven services in which there was no service documentation. We also found two services in which the times of each service overlapped those of another service rendered by the same nurse on the same date to the same recipient. The overpayments associated with these nine errors were used in the overall finding of \$1,747.35.

In addition, we identified two services in which the service documentation did not contain the time span of the visit. We did not identify an overpayment for these errors as home health nursing pays the same base rate for all visits less than one hour in duration. We noted that the LPN performing the service in both instances in which the duration was not documented was the same LPN performing the service in one of the instances with overlapping times noted above.

**Recommendation:**

The Provider should strengthen its internal controls to ensure that services for which there is no supporting documentation are not billed, that the correct number of units is billed and that documentation includes all required elements. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

**Provider Response:**

The Provider was afforded an opportunity to respond to this report which is included on the following page of this report. We did not examine the Provider's response and, accordingly, we express no opinion on it.

AUDIT RESULTS

KEYCARE NURSING SERVICES  
5378 WHIRLWIND COVE DRIVE  
HILLIARD, OHIO 43026

RE: MEDICAID PROVIDER AUDIT

KEYCARE NURSING SERVICES, LLC RECORDS ARE MAINTAINED ACCORDING TO THE OHIO MEDICAID RULES.

NEW INTERNAL POLICIES WERE ESTABLISHED AND PUT IN PLACE TO MAINTAIN COMPLIANCE WITH THE OHIO MEDICAID RULES.

KEYCARE NURSING SERVICES ARE NOT AWARE OF ANY NON COMPLIANCE WITH THE OHIO MEDICAID RULES.



CHERYL MOSLEY, OWNER/ADMINISTRATOR



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**KEYCARE NURSING SERVICES**

**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  
JANUARY 12, 2016**