



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT SUBSTANCE USE DISORDER SERVICES

Ohio Department of Medicaid
50 West Town Street, Suite 400
Columbus, Ohio 43215

RE: Amazing Grace Center Inc
Ohio Medicaid Number: 0080036 NPI: 1205188588

We were engaged to examine compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of group counseling and provider qualifications and service documentation related to the provision of medication administration services for Amazing Grace Center Inc (Amazing Grace) during the period of July 1, 2018 through June 30, 2020.

In addition, we tested instances in which 20 or more evaluation and management (E & M) services were billed to select recipients and individual psychotherapy services on two selected dates of service.

Amazing Grace entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Ohio Revised Code, Ohio Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Management of Amazing Grace is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements included in this engagement.

Internal Control over Compliance

Amazing Grace 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 Amazing Grace's internal control over compliance.

Basis for Disclaimer of Opinion

We found that 42 percent of the psychotherapy notes indicated service times that overlapped the service times on other psychotherapy notes written by the same practitioner. In addition, we found a pattern of errors in which the procedure code, modifiers, and units submitted on the claim for payment did not match or were not supported by the service documentation. As a result, we were unable to obtain sufficient reliability on the documentation to support the Medicaid payments and determine compliance with the specified requirements.

Disclaimer of Opinion

Our responsibility is to express an opinion on Amazing Grace's compliance with select Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Because of the limitation on the scope of our examination discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on Amazing Grace's compliance with the specified Medicaid requirements for the period of July 1, 2018 through June 30, 2020.

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

We identified improper Medicaid payments in the amount of \$3,140.75. This finding plus interest in the amount of \$183.41 (calculated as of April 26, 2022) totaling \$3,324.16 is due and payable to the Department upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27. If waste and abuse are suspected or apparent, the Department and/or the Office of the Attorney General will take action to gain compliance and recoup inappropriate or excess payments.¹ Ohio Admin. Code § 5160-1-29(B).

We are required to be independent of Amazing Grace and to meet our ethical responsibilities, in accordance with the ethical requirements established by the American Institute of Certified Public Accountants related to our compliance examination. This report is intended solely for the information and use of Amazing Grace, the Department and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties.



Keith Faber
Auditor of State
Columbus, Ohio

April 26, 2022

¹ "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 SECTION

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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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. See Ohio Admin. Code § 5160-1-17.2(D) and (E).

Amazing Grace is an Ohio Department of Mental Health and Addiction Services licensed treatment program located in Portsmouth, Ohio. Under the provider number examined, Amazing Grace received payment of over \$4.4 million for approximately 56,000 services².

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Amazing Grace's claims for payment 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 group counseling and medication administration services as specified below for which Amazing Grace billed with dates of service from July 1, 2018 through June 30, 2020 and received payment.

We obtained paid claims data from one of Ohio's Medicaid managed care organizations (MCO) and verified that all services were paid to Amazing Grace's tax identification number. We removed all services paid at zero.

From the total paid services population, we identified five recipients with 20 or more E & M visits for established patients (procedure codes 99212, 99213, 99214, 99215) during the examination period. We selected these services to examine in their entirety (E & M Services Exception Test).

We also extracted all individual psychotherapy services and selected the two dates of service in which the highest number of psychotherapy services (90832 and 90837) were billed to examine in their entirety (Psychotherapy Services Exception Test).

From the remaining population of services, we extracted all group counseling services (H0005) and randomly selected a sample of 60 services.

Finally, we extracted all medication administration services (H0020 and T1502). We used a statistical sampling approach to examine services in order to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We selected a simple random sample of 102 services.

The exception test and calculated sample sizes are shown in **Table 1**.

² Payment data from the Medicaid Information Technology System (MITS).

Purpose, Scope, and Methodology (Continued)

Table 1: Exception Tests and Samples		
Universe	Population Size	Selected Services
Exception Tests		
E & M Services (99212, 99213, 99214, 99215)	121	121
Psychotherapy Services (90832, 90837)	85	85
Samples		
Group Counseling Services (H0005)	6,282	60
Medication Administration Services (H0020, T1502)	13,425	102
Total	19,913	368

A notification letter was sent to Amazing Grace setting forth the purpose and scope of the examination. During the entrance conference, Amazing Grace described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record system used by Amazing Grace, reviewed service documentation and verified professional licensure or certification. We sent preliminary results to Amazing Grace and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

Results

The summary results are shown in **Table 2**. While certain services had more than one error, only one finding was made per service. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
E & M Services	121	4	4	\$434.06
Psychotherapy Services	85	60	91	\$1,206.90
Samples				
Group Counseling Services	60	37	42	\$173.01
Medication Administration Services	102	74	80	\$1,326.78
Total	368	175	217	\$3,140.75

A. Provider Qualifications

Exclusion or Suspension List

Per Ohio Admin. Code § 5160-1-17.2(H), in signing the Medicaid provider agreement, a provider agrees that the individual practitioner or employee of the company is not currently subject to sanction under Medicare, Medicaid, or Title XX; or, is otherwise prohibited from providing services to Medicaid beneficiaries.

We identified 17 practitioners in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We also compared identified administrative staff names to the same database and exclusion/suspension list. We found no matches.

A. Provider Qualifications (Continued)

For the five certified practitioners and 12 licensed practitioners, we verified via the Ohio e-License Center website that their certifications or licenses were current and valid on the first date of service found in our selected services and were active during the remainder of the examination period.

The Department requires that providers and practitioners who want to furnish Medicaid covered services to Medicaid recipients enroll as Medicaid providers. This includes both providers and practitioners who will submit claims seeking reimbursement for services furnished to Medicaid recipients and rendering practitioners who are employed by provider groups or organizations who will submit claims to the department for payment. See Ohio Admin. Code § 5160-1-17.

We searched MITS to verify that each rendering practitioner had an active Medicaid provider number for the examination period and found six of the 17 rendering practitioners (35 percent) were not registered with Ohio Medicaid for all or part of the examination period. Amazing Grace indicated its understanding that the Medicaid Behavior Health Provider Requirements and Reimbursement Manual did not require these providers to enroll in MITS. We noted that the version of this manual that covered part of the examination period contained conflicting information regarding provider enrollment. Due to the conflicting language, we did not associate an improper payment for services rendered by a practitioner that was not enrolled in the Ohio Medicaid program at the time of service delivery.

Psychotherapy Services Exception Test

The 85 services examined contained 48 instances (56 percent) in which the rendering practitioner did not have an active Medicaid provider number.

Group Counseling Services Sample

The 60 services examined contained 28 instances (47 percent) in which the rendering practitioner did not have an active Medicaid provider number.

Medication Administration Services Sample

The 102 services examined contained 49 instances (48 percent) in which the rendering practitioner did not have an active Medicaid provider number.

Recommendation

Amazing Grace should ensure that all rendering practitioners obtain the required National Provider Identifier (NPI) and enroll as a provider in the Ohio Medicaid Program. Amazing Grace must also ensure that each of its corresponding employed/contracted providers are "affiliated" or linked to the agency. Amazing Grace should implement procedure to ensure that only services rendered by an eligible practitioner that meets these requirements are billed to the Ohio Medicaid program to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

Documentation requirements include the date, time of day, and duration of service contact. See Ohio Admin. Code § 5160-8-05(F). For errors where units billed exceeded the documented duration, the improper payment was based on the unsupported units.

B. Service Documentation (Continued)

We obtained service documentation from Amazing Grace and compared it to the required elements. We also compared units billed to documented duration and compared services by recipient and the rendering practitioner to identify overlapping services. For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units.

E & M Services Exception Test

The 121 services examined contained two instances in which there was no documentation to support the payment and two instances in which the documentation did not support the procedure code billed as the service was outside of the rendering practitioner's scope of practice. These four errors resulted in an improper payment of \$434.06.

Psychotherapy Services Exception Test

The 85 services examined contained the following errors:

- 36 instances in which the service times overlapped with another service rendered by the same practitioner;
- 1 instance in which three services were billed on same day but the documentation supported only one service; and
- 1 instance in which there was no documentation to support the payment.

Examples of the overlapping service times found in the documentation include one practitioner that reported the following service times on one day: patient A from 6:45am to 7:15am; patient B from 7:00am to 7:30am; patient C from 7:15am to 7:45am; patient D from 7:30am to 8am; patient E from 7:45am to 8:16am and patient F from 8:00am to 8:30am. These 38 errors are included in the improper payment amount of \$1,206.90.

According to the Medicaid Behavioral Health State Plan Services Provider Requirements and Reimbursement Manual, the minimum billable service for procedure code 90832 (psychotherapy, 30 minutes) is 16 minutes and for procedure code 90837 (psychotherapy, 60 minutes) is 31 minutes. As a conservative approach, this minimum time was used in identifying the improper payment for the overlapping service times.

Amazing Grace indicated that while utilizing telehealth services, practitioners overlapped their schedules to be productive. For example, while recipients were completing a task or watching videos during one session, the practitioner would start another session with a different recipient. Amazing Grace also indicated in some instances the times documented were in error.

Group Counseling Services Sample

The 60 services examined contained 12 instances in which the documentation did not support units billed. These 12 errors are included in the improper payment amount of \$173.01.

Amazing Grace stated they were transitioning from processing billing with an outside company to in-house billing during our examination period and lack of training and/or knowledge on the new billing processes may have caused the errors.

Medication Administration Services Sample

The 102 services examined contained 30 instances in which the documentation did not support either the units billed or the modifier used and one instance in which there was no documentation to support the payment. These 31 errors resulted in an improper payment of \$1,326.78.

B. Service Documentation (Continued)

Amazing Grace indicated that there was a learning curve when they began billing for medication administration services and initially billed the number of days as units. Amazing Grace indicated they received training from the Department and MCOs.

Additionally, the Department's Opioid Treatment Program Manual indicates that the date of service on the claim must be the date the patient was seen in the office. We noted many instances in which the date of service for Amazing Grace was the dose date and not the date the patient was seen. We did not associate any improper payments with these instances.

Recommendation

Amazing Grace should develop and implement procedures to ensure that all service documentation and billing practices fully comply with the requirements contained in Ohio Medicaid rules. In addition, Amazing Grace should implement a quality review process to ensure that documentation is present, complete and accurate prior to submitting claims for reimbursement. Amazing Grace should address the issues identified to ensure compliance with Medicaid rules and avoid future findings.

C. Authorization to Provide Services

A treatment plan must be completed within five sessions or one month of admission, whichever is longer, must specify mutually agreed treatment goals and track responses to treatment and is expected to bear the signature of the professional who recorded it. See Ohio Admin. Code § 5160-8-05(F).

We obtained treatment plans from Amazing Grace and confirmed the treatment plan authorized the service examined and was signed by the recording practitioner. We limited our testing of treatment plans to psychotherapy and group counseling services.

Psychotherapy Services Exception Test

The 85 services examined contained five instances in which the treatment plan was not signed by the staff that developed the plan. These five errors are included in the improper payment amount of \$1,206.90.

Group Counseling Services Sample

The 60 services examined contained two instances in which the treatment plan was not signed by the staff that developed the plan. These two errors are included in the improper payment of \$173.01.

Recommendation

Amazing Grace should develop and implement controls to ensure all individual treatment plans are signed by the professional who recorded the treatment plan. Amazing Grace should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

Amazing Grace declined to submit an official response to the results noted above.

OHIO AUDITOR OF STATE KEITH FABER



AMAZING GRACE CENTER INC

SCIOTO COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 6/21/2022

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This report is a matter of public record and is available online at
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