



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 HOME HEALTH SERVICES

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

RE: First Community Health Services, LLC.
Ohio Medicaid Number: 0068047

NPI: 1255650859

We examined compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of private duty nursing (PDN) services and provider qualifications and service documentation related to the provision of personal care aide services during the period of July 1, 2019 through June 30, 2021 for First Community Health Services, LLC. (First Community).

In addition, we tested all instances in which a service was billed during a potential inpatient hospital stay and select potential impossible days based on electronic visit verification (EVV) data. Finally, we compared EVV data to all paid services to test compliance with Ohio Admin. Code § 5160-1-40.

First Community 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 to fully disclose the extent of services provided and significant business transactions. Management of First Community is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements included in the engagement. Our responsibility is to express an opinion on First Community's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether First Community complied, in all material respects, with the specified requirements referenced above. We are required to be independent of First Community and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

An examination involves performing procedures to obtain evidence about whether First Community complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion. Our examination does not provide a legal determination on First Community's compliance with the specified requirements.

Internal Control over Compliance

First Community 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 First Community's internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed that, in a material number of instances, First Community billed for a duration of service (units of service) which exceeded the documented duration for personal care aide and PDN services. In addition, we noted a material number of instances in which the date of service on the supporting documentation for personal care aide services reflected only a month and day and did not contain the year.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, First Community has complied, in all material respects, with the select requirements of PDN and personal care aide services for the period of July 1, 2019 through June 30, 2021.

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 First Community's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$1,074.00. This finding plus interest in the amount of \$141.71 (calculated as of April 26, 2023) totaling \$1,215.71 is due and payable to the Department upon its adoption and adjudication of this 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.

This report is intended solely for the information and use of First Community, 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, 2023

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).

First Community is a Medicare certified home health agency (MCHHA) and received payment of approximately \$3.3 million for over 46,000 home health and waiver services¹. First Community had a second Ohio Medicaid provider number (3079832 – waiver services organization) which became inactive during our examination period and did not receive any reimbursements. First Community's main office is located in West Carrollton and has three drop site locations in Fairfield, Springfield and Wilmington, Ohio.

Purpose, Scope, and Methodology

The purpose of this engagement was to determine whether First Community'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 PDN and personal care aide services, along with the exception tests as specified below, for which First Community billed with dates of service from July 1, 2019 through June 30, 2021 and received payment.

We obtained First Community's fee-for-service claims data from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We also obtained paid claims data from one Medicaid managed care organization (MCO) and confirmed the services were paid to First Community's tax identification number. From the fee-for-service and MCO data, we removed all services paid at zero. From the remaining total paid services, we selected the following services:

- All instances in which a home health nursing (procedure code G0299 and G0300) or PDN (T1000) service was billed during a potential inpatient hospital stay (Services During Potential Inpatient Stay Exception Test);
- Select instances in which a recipient received more than 24 hours of service in a day based on EVV data or services for one recipient in which the EVV data indicated the employee rendered more than 24 hours of service in day (Potential Impossible Days Exception Test);
- A random recipient dates of service (RDOS)² sample of 60 PDN services (PDN Services Sample); and
- A random RDOS sample of 60 personal care aide services (Personal Care Aide Services Sample) and all additional home health aide (G0156) and home health nursing (G0299 and G0300) services billed on the same RDOS as the sampled services.

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

¹ Payment data from the Medicaid Information Technology System.

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

Purpose, Scope and Methodology Continued

Table 1: Exception Tests and Samples			
Universe	Population Size	Sample Size	Selected Services
Exception Tests			
Services During Potential Inpatient Stay (G0299, G0300 and T1000)			4
Potential Impossible Days ¹			58
Samples			
PDN Services (T1000)	2,118 RDOS	60 RDOS	68
Personal Care Aide Services (T1019)	6,126 RDOS	60 RDOS	72
Additional Services (G0156, G0299 and G0300)			<u>20</u>
Total for Personal Care Aide and Additional Services			92
Total			222

¹ These services include home health aide (G0156), home health registered nursing (G0299), personal care service (PT624), PDN (T1000), waiver nursing (T1002 and T1003) and personal care aide services (T1019).

A notification letter was sent to First Community setting forth the purpose and scope of the examination. During the entrance conference, First Community described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record system used, reviewed service documentation and verified professional licensure. We sent preliminary results to First Community 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**. The 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				
Services During Potential Inpatient Stay	4	1	1	\$47.40
Potential Impossible Days	58	4	4	\$454.73
Samples				
PDN Services	68	6	6	\$456.94
Personal Care Aide Services	72	5	15	\$114.93
Additional Services	<u>20</u>	<u>0</u>	<u>0</u>	<u>\$0.00</u>
Total Personal Care Aide and Additional	92	5	15	\$114.93
Total	222	16	26	\$1,074.00

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.

A. Provider Qualifications (Continued)

We identified 49 practitioners in the service documentation for the selected services and compared their names to the U.S. Department of Health and Human Services, Office of Inspector General's 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.

Skilled Nursing Services

According to the Ohio Admin. Code § 5160-12-01(G), home health nursing services require the skills of and be performed by a licensed practitioner. Based on the e-License Ohio Professional Licensure System, the licenses for the 20 nurses were current and valid on the first date of service in our selected services and were valid during the remainder of the examination period.

B. Service Documentation

The MCHHA must maintain documentation of home health services that includes, but is not limited to, clinical and time keeping records that indicate the date and time span of the service and the type of service provided. See Ohio Admin. Code § 5160-12-03(B)(9).

For personal care aide services, the provider must maintain and retain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times and the signatures of the provider verifying the service delivery upon completion of service delivery. See Ohio Admin. Code §§ 5160-46-04(A) and 5160-58-04(C)(16)³.

We obtained service documentation from First Community 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 any overlapping services. For errors where the units billed exceeded documented duration, the improper payment was based on the difference in the payment and the units or service supported by the documentation.

Services During Potential Inpatient Stay Exception Test

For the four RDOS examined, First Community provided documentation for each date of service. We also requested verification from the rendering hospital to confirm dates of admission and discharge for each of the four recipients.

For two recipients, the hospital verified that the recipient was admitted after the selected date of service. For one recipient, the service documentation indicated that the service date on the claim was incorrect and the service was rendered prior to admission in the hospital. We confirmed that this one nursing service was not also billed for the correct date of service and, therefore, did not associate an improper payment with this service.

For the remaining recipient, the documentation indicated the recipient was assessed by the nurse and transported to the hospital on the selected date of service; however, the hospital verified the recipient was admitted the day prior. This error resulted in an improper payment amount of \$47.40.

Potential Impossible Days Exception Test

The 58 services examined consisted of 25 RDOS in which a recipient received more than 24 hours of service and eight RDOS from which the employee rendered more than 24 hours of a service in a day⁴.

³ Services examined were to recipients on Ohio Home Care or MyCare Ohio waivers.

⁴ Based on the EVV data.

B. Service Documentation (Continued)

There was documentation to support all services with the exception of one. For the remaining services, we noted that service times were adjusted in EVV and the duration of services was not excessive and did not exceed 24 hours of service in a day. See additional EVV analysis in Electronic Visit Verification section.

Of the 58 services examined, there were three instances in which the units billed exceeded documented duration. These three errors and the one error in which there was no documentation to support the payment resulted in the improper payment amount of \$454.73.

PDN Services Sample

The 68 services examined contained six instances in which the units billed exceeded documented duration. These six errors resulted in the improper payment amount of \$456.94.

Personal Care Aide Services Sample

The 72 personal care aide services examined contained four instances in which the units billed exceeded documented duration and one instance in which there was no documentation to support the payment. These five errors resulted in the improper payment amount of \$114.93.

We also noted 10 instances (14 percent) in which the date recorded on service documentation did not contain the service year; however, we verified the day of the week recorded on the service documentation matched the day of the week for the year. We did not associate an improper payment with these errors.

The 20 additional home health aide and nursing services billed on the same RDOS as the sampled services were supported by service documentation that contained the required elements.

First Community indicated that service documentation errors were due to human error or discrepancies between times documented on timesheets and in EVV. First Community stated it has taken action to educate staff on the issues identified.

Recommendation

First Community should develop and implement procedures to ensure that all service documentation and billing practices fully comply with requirements contained in Ohio Medicaid rules. First Community should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Authorization to Provide Services

All home health providers are required by Ohio Admin. Code § 5160-12-03(B)(3)(b)⁵ to create a plan of care for recipients indicating the type of services to be provided to the recipient.

We obtained plans of care from First Community and confirmed there was a plan of care that covered the date of service examined, authorized the type of service and was signed by a physician. We limited our testing of plans of care to the sampled PDN services. All 68 PDN services examined were supported by a signed plan of care.

⁵ This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

D. Electronic Visit Verification

Per Ohio Admin. Code § 5160-1-40, First Community was required to submit EVV data for its home health visits. We compared EVV data for the examination period to all paid services⁶ and found there were more services in EVV than were paid to First Community.

Additionally, we found the service times for five percent of visits were adjusted. There were instances in which the adjusted times were incorrect in comparison to service documentation. Further, the call in and out locations varied and did not appear to come from the same location. For example, a nursing visit in which the service documentation indicates a home visit has different locations in EVV data for call in and call out locations. As such, we determined the EVV data was not reliable and recommend First Community seek technical assistance from the Department.

Recommendation

We recommend that First Community seek technical assistance from the Department regarding the proper use of EVV to avoid future findings.

Official Response

First Community declined to submit an official response to the results noted above.

⁶ Payment data from the Medicaid Information Technology System.

OHIO AUDITOR OF STATE KEITH FABER



FIRST COMMUNITY HEALTH SERVICES, LLC.

MONTGOMERY 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 5/30/2023

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