



OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT BEHAVIORAL HEALTH SERVICES

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

RE: L & P Services, Inc. dba Life & Purpose Behavioral Health
Ohio Medicaid Number: 2864673 & 2847352 NPI: 1942289301 & 1932486404

We examined compliance with specified Medicaid requirements during the period of January 1, 2019 through December 31, 2020 for provider qualifications, service documentation and service authorization related to the provision of psychotherapy – 60 minutes and therapeutic behavioral services (TBS) – per diem services for L & P Services, Inc. doing business as Life & Purpose Behavioral Health (Life & Purpose).

We also tested the following select payments:

- All instances in which more than one diagnostic psychiatric evaluation was billed for the same recipient within the same calendar year;
- All instances in which more than one TBS – per diem was billed for the same recipient on the same date; and
- Select instances in which Life & Purpose and another Ohio Medicaid provider was paid for the same recipient and procedure code on the same day.

Life & Purpose 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 Life & Purpose is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined. Our responsibility is to express an opinion on Life & Purpose'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 Life & Purpose complied, in all material respects, with the specified requirements referenced above. We are required to be independent of Life & Purpose 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 Life & Purpose 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 Life & Purpose's compliance with the specified requirements.

Internal Control over Compliance

Life & Purpose 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 Life & Purpose's internal control over compliance.

Basis for Adverse Opinion

Our examination found material non-compliance with service authorization for both psychotherapy – 60 minutes and TBS – per diem services in which treatment plans were not completed, did not authorize the service being examined, or were not signed by the practitioner that completed the plan. In addition, there was no documentation to support seven percent of the sampled TBS – per diem services and there were no credentials of the rendering practitioner present on 31 percent of the sampled progress notes to support the discipline of the practitioner.

Adverse Opinion on Compliance

In our opinion, Life & Purpose has not complied, in all material respects, with the select requirements of psychotherapy – 60 minutes and TBS – per diem services for the period of January 1, 2019 through December 31, 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 Life & Purpose's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$3,675.92. This finding plus interest in the amount of \$523.44 (calculated as of January 25, 2023) totaling \$4,199.36 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.

This report is intended solely for the information and use of Life & Purpose, 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

January 25, 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).

Life & Purpose is certified by the Ohio Department of Mental Health and Addiction Services and received payment of over \$5.3 million under the provider numbers examined for approximately 70,000 mental health and substance use disorder treatment services¹. Life & Purpose Behavior Health is a fictitious name of L & P Services, Inc. registered with the Ohio Secretary of State.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Life & Purpose'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 psychotherapy – 60 minutes and TBS – per diem services along with the exception tests as specified below for which Life & Purpose billed with dates of service from January 1, 2019 through December 31, 2020 and received payment.

We obtained Life & Purpose'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 Life & Purpose's tax identification number. From the fee-for-service and MCO data, we removed services paid at zero, third-party payments and Medicare crossover claims. From the remaining total paid services, we selected the following services:

- All instances in which more than one diagnostic psychiatric evaluation (procedure code 90791) was billed for the same recipient within the same calendar year (More than One Diagnostic Evaluation Exception Test);
- All instances in which more than one TBS – per diem (H2020) was billed on the same recipient date of service (RDOS)² (More than One TBS per RDOS Exception Test);
- Select instances in which Life & Purpose and another Ohio Medicaid provider were paid for the same recipient and procedure code on the same date (Services on Same Day as Another Agency Exception Test). These services included psychotherapy (90834 and 90837), community psychiatric supportive treatment (H0036) and nursing (H2019) services;
- A random sample of 60 psychotherapy – 60 minutes (90837) services; and
- A random sample of 60 TBS – per diem (H2020) services.

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

¹ Payment data from the Medicaid Information Technology System (MITS).

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

Table 1: Exception Tests and Samples		
Universe	Population Size	Selected Services
Exception Tests		
More than One Diagnostic Evaluation (90791)		8
More than One TBS per RDOS (H2020)		10
Services on Same Day as Another Agency (90834, 90837, H0036, H2019)		9
Samples		
Psychotherapy Services (90837)	3,701	60
Per Diem TBS Services (H2020)	1,538	60
Total		147

A notification letter was sent to Life & Purpose setting forth the purpose and scope of the examination. During the entrance conference, Life & Purpose described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record (EHR) system used, reviewed service documentation and verified professional licensure or certification. We sent preliminary results to Life & Purpose 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				
More than One Diagnostic Evaluation	8	4	4	\$444.44
More than One TBS per RDOS	10	9	10	\$1,337.03
Services on Same Day as Another Agency	9	0	0	\$0.00 ¹
Samples				
Psychotherapy Services	60	22	25	\$458.51
Per Diem TBS Services	60	51	78	\$1,435.94
Total	147	86	117	\$3,675.92

¹ Note: We requested documentation from the other agency providing the same services on the same day to the same recipient but received no response. As such, we were unable to complete the planned procedures but did examine Life & Purpose's documentation for these nine services.

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 42 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.

For the 29 licensed practitioners identified in the service documentation for this sample, we verified via the e-License Ohio Professional Licensure System that their certifications or licenses were current and valid on the first date found in our selected services and were active during the remainder of the examination period.

For the remaining 13 unlicensed practitioners, we obtained documentation from Life & Purpose to determine the applicable designation based on education levels. We then compared each individual identified as an unlicensed practitioner to the qualifications contained in Admin. Code § 5160-27-01(A)(6). We found no instances of non-compliance with these 13 practitioners.

We did not test provider qualifications for the diagnostic evaluation exception test.

B. Service Documentation

Documentation requirements include the type, description, date, time of day, and duration of service contact. In addition, each record is expected to bear the signature and indicate the discipline of the professional who recorded it. See Ohio Admin. Code § 5160-8-05(F).

We obtained service documentation from Life & Purpose and compared it to the required elements. We also compared units billed to documented duration. For the sampled services, we ensured the service met the duration requirements. For errors where the documented duration was not met, the units billed exceeded documented duration or the procedure code documented did not match the procedure code billed, the improper payment was based on the difference in the payment and the procedure code supported by the documentation.

More than One Diagnostic Evaluation Exception Test

Ohio Admin. Code § 5160-8-05(D)(3) limits diagnostic evaluations to one per recipient, per calendar year. We confirmed with the MCO that it imposed the same limitation.

The eight services examined consisted of four recipients in which Life & Purpose was reimbursed for two diagnostic psychiatric evaluations in a calendar year. There was documentation to support all eight services; however, the second diagnostic psychiatric evaluation billed exceeded Medicaid's coverage limitation. These four errors resulted in the improper payment amount of \$444.44

Life & Purpose indicated it was aware of the limitation; however, stated its practice is to complete an evaluation if a client leaves and comes back at a later date for service. Further, Life & Purpose stated it did not have a process in place for obtaining prior authorization for diagnostic evaluations exceeding the coverage limitation.

More than One TBS per RDOS Exception Test

The 10 services examined contained nine instances in which there was no service documentation to support the payment. These nine errors resulted in the improper payment amount of \$1,337.03. In addition, the one service with documentation did not contain the required discipline of the professional who recorded it.

Life & Purpose indicated the nine services were billed in error.

B. Service Documentation (Continued)

Services on Same Day as Another Agency Exception Test

For the nine dates of service examined, we obtained service documentation from Life & Purpose which contained the required elements.

We contacted one provider which received Ohio Medicaid reimbursement for the same recipient, date of service and procedure code as Life & Purpose for eight of the nine dates of service we identified. This provider did not submit documentation to support its payments. As such, we were unable to compare service documentation.

Life & Purpose indicated that other agencies have staff in the same schools and there are occasions when both Life & Purpose and another agency are rendering the same services to the same client. In addition, Life & Purpose stated it is involved in a work group with an aim at avoiding multiple agencies working with the same client.

We determined the second provider that was reimbursed for the remaining one date of service was a prior employee of Life & Purpose. The service documentation obtained from Life & Purpose indicated this individual as the rendering practitioner. According to Life & Purpose, this practitioner only worked for Life & Purpose and it was not aware of the service also being paid directly to the practitioner. We referred this matter to the MCO as it appears to be a duplicate payment.

Psychotherapy Services Sample

The 60 services examined contained the following errors:

- 2 instances in which the documentation did not contain the time or duration of the service;
- 1 instance in which the documentation described a family psychotherapy session;
- 1 instance in which the documentation did not contain a description of the service rendered; and
- 1 instance in which the required duration was not met.

These five errors are included in the improper payment amount of \$458.51.

We also identified four instances in which the supporting documentation did not contain the credentials of the rendering practitioner; however, we were able to verify the credentials via the e-License Ohio Professional Licensure System. We did not associate an improper payment for these instances.

Per Diem TBS Services Sample

The 60 services examined contained four instances in which there was no documentation to support the payment and one instance in which the required duration was not met. These five errors are included in the improper payment amount of \$1,435.94.

We also identified 33 instances in which the supporting documentation did not contain the credentials of the rendering practitioner; however, we were able to verify the credentials via the e-License Ohio Professional Licensure System or through inquiry with Life & Purpose and obtaining personnel documentation. We did not associate an improper payment for these instances.

Life & Purpose indicated that the credentials are automatically populated with the practitioner's electronic signature in its EHR system; however, the vendor is responsible for assigning the credentials in the EHR system and it can take a considerable amount of time to enter this information.

Recommendation

Life & Purpose should develop and implement procedures to ensure that all service documentation and billing practices fully comply with requirements contained in Ohio Medicaid rules. In addition, life & Purpose should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement.

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 Life & Purpose to confirm that the treatment plan authorized the service examined and was signed by the recording practitioner. We limited our testing of treatment plans to the sampled TBS and psychotherapy services.

In a material number of instances, we determined there was no individualized treatment plan completed by Life & Purpose, but rather treatment goals had been established on a progress note during a session which was then carried forward in the client's record. We identified these instances as non-compliant; however, we did not associate an improper payment for these services.

When Life & Purpose did have a treatment plan, we noted instances of the following:

- An initial treatment plan was completed; however, it appeared to be a template document and a comprehensive individualized treatment plan was never completed for the client;
- The target completion date was on or before the date the plan was initialized;
- The treatment plan was not updated after the target completion date; and
- The treatment plan was vague in nature and did not contain descriptive treatment goals, objectives, a description of all services provided or the frequency of treatment services as required by Ohio Department of Mental Health and Addiction Services (see Ohio Admin. Code § 5122-27-03).

We did not identify any non-compliance or improper payments in these instances; however, we referred this matter to the Ohio Department of Mental Health and Addiction Services for further attention.

Psychotherapy Services Sample

The 60 services examined contained one instance in which there was no treatment plan and the progress note for the date of service did not have treatment goals documented and one instance in which the treatment plan was not signed by the practitioner that recorded it. These two errors are included in the improper payment amount of \$458.51.

There were 14 instances in which there was no treatment plan; however, we accepted the progress notes with established treatment goals for the service.

C. Authorization to Provide Services (Continued)

Per Diem TBS Services Sample

The 60 services examined contained the following errors:

- 5 instances in which the treatment plan was not signed by the practitioner that recorded it;
- 2 instances in which there was no treatment plan and the progress note for the date of service did not have treatment goals documented; and
- 2 instances in which the treatment plan did not authorize the service and the progress note for the date of service did not have treatment goals documented for per diem TBS services.

These nine errors are included in the improper payment amount of \$1,435.94.

There were 10 instances in which there was no treatment plan; however, we accepted the progress notes for the service with documented treatment goals.

We also identified 21 instances in which the treatment plan did not authorize per diem TBS services. We inquired with Life & Purpose and it indicated that the service was added to assist the client in reaching their treatment goals; however, the treatment plan was never updated to reflect the addition of this intervention. As the progress notes that supported the services identified treatment goals, we did not associate an improper payment for these instances.

Life & Purpose indicated that an initial treatment plan is completed during the client's initial assessment and is used as the treatment plan until a comprehensive treatment plan is completed. Additionally, Life & Purpose stated that their practitioners are encouraged to complete a comprehensive treatment plan within 30 days, but it is not always completed. Further, Life & Purpose stated that due to time and staffing, treatment plans are not always completed or updated to include services that have been added.

Recommendation

Life & Purpose should develop and implement controls to ensure that all treatment plans are completed within the required timeframe and services billed are authorized by a treatment plan. Life & Purpose should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

Per Ohio Admin. Code § 5122-27-03, the treatment plan is a collaborative process between the client and service provider and should address the specific mental health or addiction services and supports needs of the client; anticipated treatment goals and objectives and that the goals shall be mutually agreed upon by the provider and the client. The plan should include the name or description of all services being provided along with the frequency of services and anticipated duration and document that the plan has been reviewed with the active participation of the client, and, as appropriate, with involvement of family members, parents, legal guardians or custodians or significant others. Life & Purpose's practice of documenting objectives on a progress note does not reflect a collaborative process or include the elements specified in this rule.

Life & Purpose should also seek technical assistance from the Department of Mental Health and Addiction Services to ensure it is properly completing treatment plans to establish the medical necessity of services and that the Department monitor Life & Purpose for compliance.

Official Response

Life & Purpose declined to submit an official response to the results noted above.

OHIO AUDITOR OF STATE KEITH FABER



L & P SERVICES, INC.

WASHINGTON 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 3/7/2023

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