



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
65 East State Street  
Columbus, Ohio 43215  
(614) 466-3340  
ContactMCA@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT HOME HEALTH AND WAIVER SERVICES

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

RE: Aaran Home Health Service LLC  
Ohio Medicaid Number: 0090041

National Provider Identifier: 1699049825

We examined compliance with specified Medicaid requirements for select home health and waiver services during the period of January 1, 2020 through December 31, 2022 for Aaran Home Health Service LLC (Aaran). We tested the following services:

- All instances in which a service was billed during a potential inpatient hospital stay;
- Select service dates for recipients with services at the same address on the same day;
- Select instances in which Aaran and another Ohio Medicaid provider were reimbursed for services for the same recipient on the same day;
- All instances in which more than 12 hours of home health aide services were reimbursed for the same recipient on the same day; and
- A sample of personal care aide services and any additional services for the same recipient on the same recipient date of service (RDOS)<sup>1</sup> as the sampled services.

Aaran 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 Aaran 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 Aaran'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 Aaran complied, in all material respects, with the specified requirements referenced above. We are required to be independent of Aaran 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 Aaran 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 Aaran's compliance with the specified requirements.

---

<sup>1</sup> An RDOS is defined as all services for a given recipient on a specific date of service.

**Internal Control over Compliance**

Aaran 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 Aaran Home Health's internal control over compliance.

**Basis for Qualified Opinion**

Our examination disclosed that Aaran submitted documentation with service times and activities performed for 13 services on dates in which the recipient was in the hospital and the service could not have been rendered. In addition, in a material number of instances, Aaran had no documentation to support services in four of the areas tested and no person-centered service plan to support the sampled personal care aide services.

**Qualified Opinion on Compliance**

In our opinion, except for the matters described in the Basis for Qualified Opinion paragraph, Aaran has complied, in all material respects, with the select requirements of home health and waiver services for the period of January 1, 2020 through December 31, 2022. 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 Aaran's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$2,855.40. This finding plus interest in the amount of \$384.34 (calculated as of August 26, 2024) totaling \$3,239.74 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 per 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<sup>2</sup> in accordance with Ohio Admin. Code 5160-1-29(B).

This report is intended solely for the information and use of Aaran, 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

September 30, 2024

---

<sup>2</sup> "Waste" means any preventable act such as inappropriate utilization of services or misuse of resources that results in unnecessary expenditures to the Medicaid program. "Abuse" means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. See Ohio Admin. Code 5160-1-29(A) and 42 CFR Part 455.2.

**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 per Ohio Admin. Code 5160-1-17.2(D) and (E).

Aaran is a Medicare certified home health agency (MCHHA) and received payment of approximately \$10.9 million under the provider number examined for over 184,000 home health and waiver services<sup>3</sup>. Aaran has locations in Columbus and Dayton, Ohio.

**Table 1** contains the home health and waiver procedure codes selected for this compliance examination.

<b>Table 1: Home Health and Waiver Services</b>	
<b>Procedure Code</b>	<b>Description</b>
<b>State Plan Services:</b>	
G0151	Physical Therapy
G0152	Occupational Therapy
G0156	Home Health Aide
G0299	Home Health Nursing – Registered Nurse (RN)
G0300	Home Health Nursing – Licensed Practical Nurse (LPN)
T1001	RN Assessment
<b>Waiver Services:</b>	
PT624	Personal Care
T1019	Personal Care Aide

Source: Appendix to 5160-12-05, 5160-1-06.1, 5160-12-08 and 5160-46-06

**Purpose, Scope, and Methodology**

The purpose of this examination was to determine whether Aaran'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 select services as specified below for which Aaran billed with dates of service from January 1, 2020 through December 31, 2022 and received payment.

We obtained Aaran's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed services paid at zero, Medicare crossover claims and extracted fee-for-service, and encounters from one Medicaid managed care entity (MCE). We also obtained paid claims data from another MCE and confirmed that all the services were paid to Aaran's tax identification number. We removed all adjusted claims and services paid at zero. The scope of our examination included testing procedures related to select services as identified in the Independent Auditor's Report.

<sup>3</sup> Payment data from the Medicaid Information Technology System.

**Purpose, Scope, and Methodology (Continued)**

The exception tests and calculated sample size are shown in **Table 2**.

<b>Table 2: Exception Tests and Sample</b>			
<b>Universe</b>	<b>Population Size</b>	<b>Sample Size</b>	<b>Selected Services</b>
<b>Exception Tests</b>			
Services During Potential Inpatient Stay (G0151, G0152, G0156, G0299, G0300, PT624, T1001, T1019)			38
Services at Shared Addresses (G0300, T1001)			95
Recipients with Services from Aaran and Another Agency (T1019)			20
Aide Services Over 12 Hours (G0156, T1019)			53
<b>Sample</b>			
Personal Care Aide Services (T1019)	49,197 RDOS	60 RDOS	74
Additional Services <sup>1</sup>			<u>53</u>
Total for Home Health and Additional Services			127
<b>Total</b>			<b>333</b>

<sup>1</sup> These services consist of G0151, G0156, G0299, G0300, T1001 and T1019.

A notification letter was sent to Aaran setting forth the purpose and scope of the examination. During the entrance conference, Aaran 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 Aaran 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 3**. 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.

<b>Table 3: Results</b>				
<b>Universe</b>	<b>Services Examined</b>	<b>Non-compliant Services</b>	<b>Non-compliance Errors</b>	<b>Improper Payment</b>
<b>Exception Tests</b>				
Services During Potential Inpatient Stay	38	16	16	\$1,296.90
Services at Shared Addresses	95	9	10	\$388.17
Recipients with Services from Aaran and Another Agency	20	1	1	\$42.18
Aide Services Over 12 Hours	53	6	6	\$445.64
<b>Sample</b>				
Personal Care Services	74	8	8	\$645.84
Additional Services	<u>53</u>	<u>1</u>	<u>1</u>	<u>\$36.67</u>
Total for Home Health and Additional	127	9	9	\$682.51
<b>Total</b>	<b>333</b>	<b>41</b>	<b>42</b>	<b>\$2,855.40</b>

## Results (Continued)

Aaran indicated that the non-compliance identified was the result of clerical errors. In addition, Aaran stated that many services during the examination period were provided during the COVID-19 public health emergency in which it was short staffed.

### A. Provider Qualifications

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 86 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 owners and administrative staff names to the same database and exclusion/suspension list. We found no matches.

Per Ohio Admin. Code 5160-12-01(G), home health nursing and skilled therapy services require the skills of and be performed by a licensed practitioner. Based on the e-License Ohio Professional Licensure System, the licenses for all 12 nurses and one physical therapist were current and valid on the first date found in our selected services and were valid during the remainder of the examination period.

Per Ohio Admin. Code 5160-46-04(A)(7), a MCHHA will ensure that personal care aides obtain and maintain first aid certification. Three of the 73 personal care aides did not have the required first aid certification for all or part of the examination period.

#### *Personal Care Aide Services Sample*

The 74 services examined contained three services rendered by an aide that did not have the required first aid certification or the certification had lapsed. These three errors are included in the improper payment of \$645.84.

### Recommendation

Aaran should review the Ohio Medicaid rules and improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. Aaran should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

### B. Service Documentation

Per Ohio Admin. Code 5160-12-03(B)(9), 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.

For personal care 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 in accordance with Ohio Admin. Code 5160-46-04(A), 5160-58-04(C)(16), 5160-31-05(B) and 173-39-02.11(C)(6)(b).

We obtained service documentation from Aaran 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 unsupported units.

**B. Service Documentation (Continued)**

*Services During Potential Inpatient Hospital Stay Exception Test*

The 38 payments examined consisted of 16 recipients in which the reported date of service occurred during a potential inpatient hospital stay. We requested verification from the seven rendering hospitals to confirm dates of admission and discharge for each of the 16 recipients. Three rendering hospitals did not respond to our request for confirmation; therefore, we were unable to determine whether 15 services were billed during the hospital stay. For these recipients, there were two instances in which there was no documentation from Aaran to support the service.

For the confirmed inpatient stays, we determined for 10 of the services examined that the recipient was not inpatient on the date of service or was admitted after the home health service. In one instance, there was no documentation to support one of these services. For the remaining 13 services, we determined Aaran billed for services it did not render as the hospital confirmed the recipient was an inpatient on the date of service. These 16 errors resulted in an improper payment amount of \$1,296.90.

*Services at Shared Addresses Exception Test*

The 95 services examined consisted of two addresses with more than one recipient receiving services on the same day. The services examined contained the following errors:

- Five instances in which no documentation was provided to support the service;
- Four instances in which the service times overlapped with another service rendered by the same nurse; and
- One instance in which the documentation contained no description of the service rendered.

These 10 errors resulted in improper payment amount of \$388.17.

We also noted three instances in which the practitioner documented nursing services to recipients at both addresses on the same day in which there was no lapse in time between the previous and subsequent visit. The distance between the two addresses is approximately one mile or three minutes. In these instances, there were no electronic visit verification (EVV) entries to verify the service duration. We did not associate any noncompliance in these instances.

*Recipients with Services from Aaran and Another Agency Exception Test*

The 20 services examined consisted of 10 dates of service each for two recipients in which both Aaran and another Ohio Medicaid provider was reimbursed for the same recipient on the same day. We compared EVV data for the selected dates of service rendered by the other provider. There were no EVV entries for 16 of the 20 services; therefore, we were unable to determine whether the services overlapped. Additionally, in one instance there was no documentation to support the service resulting in an improper payment totaling \$42.18.

For the remaining three dates of service, there were no overlapping services.

*Aide Services Over 12 Hours Exception Test*

The 53 services examined consisted of eight recipients in which Aaran was reimbursed for more than 12 hours (48 units) of aide services for the same recipient on the same day. The documentation provided by Aaran supported the units billed except for five instances in which there was no documentation to support the service and one instance in which the units billed exceeded the documented duration. These six errors are included in the improper payment of \$445.64.



**B. Service Documentation (Continued)**

*Personal Care Aide Services Sample*

All 74 sampled services examined were supported by documentation that contained the required elements. The 53 additional services examined contained one instance in which there was no documentation to support the service. This error resulted in an improper payment of \$36.67.

**Recommendation**

Aaran 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, Aaran should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement. Aaran 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)<sup>4</sup> to create a plan of care for state plan recipients indicating the type of services to be provided to the recipient.

For recipients on an Ohio Home Care or MyCare Ohio waiver, providers are required to furnish services in a manner that is in accordance with the individual's approved person-centered service plan per Ohio Admin. Code 5160-46-04, 5160-44-31(A) and 5160-58-04(B).

We obtained plans of care and person-centered service plans from Aaran. For state plan services, we confirmed the plan of care covered the selected date of service, authorized the type of service, and was signed by a physician. For waiver services, we confirmed the person-centered service plan authorized Aaran to provide the type of service. We limited our testing of service authorization as specified below.

*Services at Shared Addresses Exception Test*

All 95 services examined were supported by a signed plan of care.

*Recipients with Services from Aaran and Another Agency Exception Test*

All 20 services examined were supported by a person-centered service plan authorizing Aaran to provide personal care aide services.

*Aide Services Over 12 Hours Exception Test*

All 15 state plan services examined were supported by a signed plan of care.

*Personal Care Aide Services Sample*

The 74 sampled services contained five instances in which there was no person-centered service plan to authorize Aaran to provide the service. These five errors are included in the improper payment of \$645.84. We did not test service authorization for the 53 additional services on the same RDOS as the sampled services.

---

<sup>4</sup> This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

Aaran Home Health Service LLC  
Franklin County  
Independent Auditor's Report on  
Compliance with Requirements of the Medicaid Program

**Recommendation**

Aaran should establish a system to ensure that plans of care authorizing the service are obtained prior to submitting claims for services to the Department. Aaran should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

Aaran declined to submit an official response to the results noted above.

# OHIO AUDITOR OF STATE KEITH FABER



**AARAN HOME HEALTH SERVICE LLC**

**FRANKLIN 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 10/15/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)