



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 PAYMENTS FOR HOME HEALTH AND WAIVER SERVICES

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

RE: Ambassador Home Health Services, L.L.C.
Ohio Medicaid Numbers: 2778696 and 0057956 National Provider Identifier: 1972521664

We were engaged to examine compliance with specified Medicaid requirements for select home health payments during the period of July 1, 2020 through June 30, 2022 for Ambassador Home Health Services, L.L.C. (Ambassador). We tested the following select payments:

- All payments in which a service was billed during a recipient's potential inpatient hospital stay;
- Payments for 20 select service dates for recipients residing at the same address;
- A random sample of state plan aide payments and any additional aide and/or homemaker payments on the same RDOS¹ as the sampled payments; and
- A random sample of state plan licensed practical nursing (LPN) payments and any additional nursing service payments on the same RDOS as the sampled payments.

Ambassador 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 Ambassador 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 Ambassador's compliance with the specified Medicaid requirements based on our examination.

Internal Control over Compliance

Ambassador is responsible for establishing and maintaining effective internal controls 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 Ambassador's internal controls over compliance.

Basis for Disclaimer of Opinion

We noted inconsistencies within documentation which resulted in concerns regarding the reliability of the documentation. Examples of these inconsistencies include:

- 26 instances in which the start time of one service was the same as the end time of a service for different recipient by the same practitioner and/or services by the same practitioner for two recipients overlapped;

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

- 16 instances in which the same aide documented rendering the same services during two different shifts on an RDOS (for example grocery shopping);
- 14 instances in which Ambassador could not find service document during an on-site visit but subsequently provided it;
- seven instances in which the documentation did not include any indication of the tasks performed during a shift;
- seven instances in which the documentation we received at an on-site visit was different than documentation Ambassador subsequently provided for the same service;
- five instances in which the date or time appeared to be altered on a document and it is not possible to determine when the change was made;
- two instances in which Ambassador had documentation to support a service when we confirmed the recipient was a hospital inpatient; and
- one instance in which the name of the nurse was not included on the documentation.

As a result, we were unable to gain assurance on the reliability of Ambassador's service documentation obtained for this engagement.

Disclaimer of Opinion

Our responsibility is to express an opinion on Ambassador's compliance with select Medicaid requirements based on conducting the examination in accordance with attestation standards established by the American Institute of Certified Public Accounts (AICPA). 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 Ambassador's compliance with the specified Medicaid requirements for the period of July 1, 2020 through June 30, 2022.

We identified improper Medicaid payments in the amount of \$2,251.60. This finding plus interest in the amount of \$372.81 (calculated as of July 8, 2024) totaling \$2,624.41 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 per Ohio Admin. Code 5160-1-27. If waste and abuse² 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 in accordance with Ohio Admin. Code 5160-1-29(B).

We are required to be independent of Ambassador and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination. This report is intended solely for the information and use 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

August 14, 2024

² "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).

Ambassador is a Medicare certified home health agency (type 60) and received payment of over \$2 million including fee-for-service and managed care payments for 31,675 home health and waiver services³. Ambassador had a second active Medicaid number, 0057956, as a waived service organization (type 45) which was not included in the scope of our examination.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Ambassador's fee-for-service 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 services for which Ambassador billed with dates of service from July 1, 2020 through June 30, 2022 and received payment. We obtained Ambassador's fee-for-service claims from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed services paid at zero and third-party payments. From the remaining total paid services, we identified and selected the following services in the order listed:

- Home health aide (procedure code G0156) payments, waiver personal care aide (procedure code T1019) payments and home health nursing (procedure code G0300) payments during a potential inpatient hospital stay (Recipients with Potential Inpatient Stay Exception Test)
- Payments for 20 select dates of service in which recipients residing at the same address received state plan LPN services (procedure code G0300) on the same date (Recipients at Same Address Sample);
- A random sample of state plan aide (procedure code G0156) payments selected by RDOS and all additional aide and homemaker (procedure codes MR970 and T1019) payments on the same RDOS as the sampled payments; and
- A random sample of state plan LPN (procedure code G0300) payments selected by RDOS and all additional nursing (procedure code G2099) payments on the same RDOS as the sampled payments.

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

Table 1: Exception Test and Samples			
Universe	Population Size	Sample Size	Selected Services
Exception Test			
Recipients with Potential Inpatient Stay			5
Samples			
Recipients at Same Address	730 DOS	20 DOS	128

³ Payment data from the Medicaid Information Technology System (MITS)

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State Plan Aide Payments	4,604 RDOS	79 RDOS	113
Additional Aide Payments			<u>9</u>
Total			122
State Plan LPN Payments	3,532 RDOS	79 RDOS	139
Additional Nursing Payments			<u>9</u>
Total			148
Total			403

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

Universe	Services Examined	Non-compliant Services	Non-compliance Errors	Improper Payment
Exception Tests				
Recipients with Potential Inpatient Stay	5	5	5	\$232.56
Samples				
Recipients at Same Address	128	27	29	\$723.20
State Plan Aide Payments	113	15	15	\$950.57
Additional Aide Payments	<u>9</u>	<u>1</u>	<u>1</u>	<u>\$48.32</u>
Total	122	16	16	\$998.89
State Plan LPN Payments	139	7	7	\$296.95
Additional Nursing Payments	<u>9</u>	<u>0</u>	<u>0</u>	<u>\$0.00</u>
Total	148	7	7	\$296.95
Total				\$2,251.60

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

A. Provider Qualifications (Continued)

Nursing Services

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

B. Service Documentation

All Medicaid providers are required to submit claims only for services actually performed and meet requirements that include, but are not limited to, disclosing the type, extent and duration of services provided to Medicaid recipients. See Ohio Admin. Code 5160-1-17.2(A) and 5160-1-27(A). We applied these requirements to all services examined.

We obtained service documentation from Ambassador and compared it to the required elements. We also compared units billed to documented duration. For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units.

For services on the same RDOS as hospital inpatient services, we obtained documentation from the hospital to confirm the dates of the inpatient stay and compared the hospital's information to Ambassador's payments and documentation.

Recipients with Potential Inpatient Stay Exception Test

The five payments examined consisted of three recipients in which the reported date of service occurred during a potential inpatient hospital stay. We requested verification from the rendering hospital to confirm dates of admission and discharge for the three recipients. The rendering hospital for two recipients did not respond to our request for confirmation; therefore, we were unable to determine whether the three associated services were billed during the hospital stay. Ambassador had no documentation to support these three payments.

For the remaining recipient, Ambassador was reimbursed for two payments it could not have rendered as indicated on the service documentation because the hospital confirmed the recipient was an inpatient on the recorded date and time of service.

These five errors resulted in an improper payment of \$232.56.

Recipients at Same Address Sample

The 128 payments examined consisted of one address with four recipients receiving services on the same day.

The 128 payments examined contained the following errors:

- 26 instances in which the start time of one service was the same as the end time of a service for different recipient by the same practitioner and/or services by the same practitioner for two recipients overlapped;
- one instance in which there was no documentation to support the payment;
- one instance in which the provider was not identified on the documentation; and
- one instance in which units billed were greater than documented duration.

These 29 errors resulted in an improper payment amount of \$723.20.

B. Service Documentation (Continued)

State Plan Aide Payments Sample

The 113 services examined contained the following errors:

- six instances in which the documentation did not contain any indication of the tasks performed during the shift;
- two instances in which units billed were greater than documented duration; and
- one instance in which there was no service documentation to support the payment.

These nine errors are included in the improper payment amount of \$950.57.

Additional Aide Payments

The nine services examined contained one instance in which there was no service documentation to support the payment.

This one error resulted in the improper payment amount of \$48.32.

State Plan LPN Payments Sample

The 139 services examined contained the following errors:

- one instance in which the documentation did not contain a description of the service rendered;
- one instance in which units billed were greater than documented duration; and
- one instance in which the provider was not identified on the documentation.

These three errors are included in the improper payment amount of \$296.95.

Additional Nursing Payments

The nine services examined met the requirements tested for service documentation.

Recommendation

Ambassador should implement a quality review process to ensure that documentation is present, complete, and accurate prior to submitting claims for reimbursement. Ambassador 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 in part by Ohio Admin. Code 5160-12-03(B)(3)(b)⁴ to create a plan of care for recipients indicating the type of services to be provided to the recipient and the plan is required to be signed by the recipient's treating physician.

We obtained plans of care from Ambassador and confirmed there was a plan of care that covered the date of the home health aide and home health nursing service examined, authorized the type of service, and was signed by a physician.

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

C. Authorization to Provide Services (Continued)

State Plan Aide Services Sample

The 113 state plan aide payments examined contained six instances in which there was no plan of care to cover the date of service.

These six errors are included in the improper payment amount of \$950.57.

State Plan LPN Payments Sample

The 139 home health nursing payments examined contained four instances in which there was no plan of care to cover the service.

These four errors are included in the improper payment amount of \$296.95.

Additional Nursing Payments

The nine services examined met the requirements tested for plans of care.

We limited our testing of plans of care to the aforementioned samples.

Recommendation

We recommend that Ambassador establish a system to ensure that plans of care are obtained prior to submitting claims for services to the Department. Ambassador should address this issue to ensure compliance with Medicaid rules and avoid future findings.

D. Medicaid Compliance

Per Ohio Admin. Code 5160-1-17.2(F), the provider is to inform the Department within thirty days of any changes including, but not limited to, changes in ownership.

AOS requested the names of current owners from Ambassador and found that those names were different than those reported in the Medicaid Provider Network Management system.

Recommendation

We recommend that Ambassador report changes as required to the Department within thirty days. Ambassador should address this issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

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

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AMBASSADOR HOME HEALTH SERVICES, L.L.C.

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 8/29/2024

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