



OHIO AUDITOR OF STATE
KEITH FABER



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Independent Accountants' Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below on the Area Agency on Aging, Planning and Service Area 2's Medicaid Waiver Cost Report (Cost Report) and certain compliance requirements related to contract monitoring for the year ended June 30, 2022, included in the information provided to us by the management of the Area Agency on Aging, Planning and Service Area 2. The Area Agency on Aging, Planning and Service Area 2 is responsible for completion of the Cost Report and contract monitoring as required by the Agreement between the Ohio Department of Medicaid (ODM) and the Ohio Department of Aging (ODA) and the PASSPORT Administrative Agency (PAA).

The ODM and the ODA have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating the Cost Report. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

Revenue

1. We agreed the revenue on the Client Liability Copay Collected and Federal, State Funding Breakdown reports to the *Final Page A* and agreed the Transfer-In amount to the prior year Cost Report. There were no variances.
2. We agreed the Client Liability Copay Collected and Client Liability Due reports to each client liability amount on *Final C Page* and we agreed the beginning receivable to the prior year Cost Report. There were no variances.

Trial Balance and Non-Payroll Expenses

1. We agreed the disbursements on the General Ledgers to the Trial Balance FTE Allocations worksheet and the Trial Balance to *Worksheet 1, Total Allowable Expenses by Line Item* for each waiver. There were no variances.

We compared total PASSPORT Information Management System (PIMS) costs to total *Worksheet 2, Waiver Services Expenses Detail* and calculated the variance. We found a variance less than one half percent of total PIMS costs.

Trial Balance and Non-Payroll Expenses (Continued)

2. For each waiver worksheet, we calculated five percent of the total of all non-payroll cost report accounts and identified any cost report accounts with a total that exceeds the five percent threshold. We scanned the General Ledgers for potential unallowable or improperly allocated costs per 2 CFR 200 Subpart E that impact the identified account codes and selected 60 disbursements including items identified in the scan from the identified account codes.

We obtained the invoice and/or contract for each selected expense and performed the following:

- We confirmed documentation for the full cost was maintained as required by PAA Medicaid Waiver Cost Report Instructions and 2 CFR 200.403(g). We found variances as reported in the Appendix.
- We footed the invoice/documentation for accuracy and found no computational differences resulting in decreased costs on *Worksheet 1*.
- For invoices with a corresponding contract, we compared the invoice rate to the contracted rate and found no differences resulting in decreased costs.
- We compared documentation for each expense to the unallowable categories listed in 2 CFR part 200.400 - .475. There were no variances.
- We compared the documented non-payroll expense and type of expense to the worksheet and account classification on the Cost Report and with the Cost Report Instructions. We found account reclassifications between cost report accounts exceeding \$1,000 per row on the Passport waiver worksheet as reported in the Appendix. For any errors found, we scanned the corresponding invoice to identify any additional similar misclassifications. We found similar misclassifications; however, the errors were less than \$1,000 per row on the Assisted Living and MyCare worksheets.
- We documented the name and type of expense and if the purpose was unclear, inquired with PAA to confirm if the business purpose of the expense benefitted the PAA's Medicaid Waiver Programs in accordance with 2 CFR part 200.405 and CMS Publication 15-1 § 2302.4 and did not benefit other programs. There were no variances.
- We compared the documented cost and type of expense to the PAA's Depreciation/ Capitalization Policy and confirmed the expense was not a capital asset.
- We compared the cost methodology and allocation statistics for each expense to the allowable methods per the Cost Report Instructions and CMS 15-1 § 2302.8. There were no differences.
- We confirmed each amount was recorded on the accrual basis, in accordance with the Cost Report Instructions, by agreeing the date/time period of the invoice/documentation to the Cost Reporting period.

Payroll

1. We agreed salaries and benefits on the Trial Balance and General Ledgers to *Worksheet 1* for each waiver. There were no variances.

We compared the first and last pay periods on the on the Payroll Journal to the General Ledger to confirm employee payroll expenses were reported on the accrual basis. There were no variances.

Payroll (Continued)

2. We obtained the Payroll Time Summary by Employee report and counted the total number of employees reported on *Worksheet 1*. We selected 10 employees reported on *Worksheet 1* and performed the following procedures on each selected employee:
 - We compared the job descriptions, monthly Payroll Time Summary by Employee report and Organizational Chart to the unallowable categories listed in 2 CFR part 200.400 - .475. We confirmed the cost benefitted the Medicaid program in accordance with 2 CFR part 200.405 and CMS Publication 15-1 § 2302.4 and did not benefit other programs. There were no variances for any unallowable costs or any cost that did not benefit the Medicaid program.
 - We compared the Payroll Journal for one month and job descriptions to the Posted General Ledger Transactions-Posted Payroll reports and from the Payroll reports to the Trial Balance FTE Allocations worksheet and from the Trial Balance to the worksheet and account classification on the Cost Report and the Cost Report Instructions. There were no variances.
 - We compared the cost methodology and allocation statistics for the same monthly payroll expenses for each employee to the allowable methods per the Cost Report Instructions and CMS 15-1 § 2302.8. There were no differences.

Property

1. We agreed the capital costs on the Depreciation Schedules to the General Ledgers and from the General Ledgers to *Worksheet 1* for each waiver. There were no differences.
2. We compared the final SFY 2022 Depreciation Schedule to the SFY 2021 Depreciation Schedule for changes in the depreciation amounts for assets purchased prior to FY 2022, depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years or depreciation which was not in compliance with the Cost Report Instructions. There were no variances.
3. We scanned the Depreciation Schedules and General Ledgers for any loss on *Worksheet 1* that was not in accordance with CMS Publication 15-1, Chapter 1, § 104.10(E) and found none.
4. We scanned the General Ledgers for items purchased during the reporting period that met the capitalization criteria and found none.

Contract Monitoring

We obtained the PAA's written procedures and supporting documentation related to performing provider oversight processes in accordance with Section III (A)(3)(e)(ii) in its Three Party Agreement with ODM and ODA.

We selected five providers for each type of provider oversight, including five pre-certification reviews, five structural reviews and five disciplinary reviews and compared supporting documentation to the written procedure requirements. There were no differences.

We conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the PAA's Cost Report and compliance with contract monitoring requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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We are required to be independent of the PAA and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our agreed-upon procedures engagement.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

February 9, 2024

Appendix
Area Agency on Aging, Planning and Service Area 2
Independent Accountants' Report on
Applying Agreed Upon Procedures

SUMMARY OF COST AND EXPENSE ADJUSTMENTS (Corrections)

Program: Passport

COST REPORT									
Finding Number	Work sheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Audited Cost
1	1	5	Equipment & Repairs	Screening	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$2,504	(\$1,347)	\$1,157
1	1	5	Equipment & Repairs	Assessment	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$10,646	(\$5,727)	\$4,919
1	1	5	Equipment & Repairs	Case Management	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$18,067	(\$9,721)	\$8,346
1	1	5	Equipment & Repairs	Provider Relations	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$1,121	(\$603)	\$518
1	1	5	Equipment & Repairs	General Admin	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$9,472	(\$5,098)	\$4,374
1	1	3	Service Contracts	Screening	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$2,118	\$1,347	\$3,465
1	1	3	Service Contracts	Assessment	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$9,002	\$5,727	\$14,729
1	1	3	Service Contracts	Case Management	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$15,277	\$9,721	\$24,998
1	1	3	Service Contracts	Provider Relations	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$948	\$603	\$1,551
1	1	3	Service Contracts	General Admin	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$8,009	\$5,098	\$13,107

Program: MyCare

COST REPORT									
Finding Number	Work sheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Audited Cost
2	1	5	Equipment & Repairs	General Admin	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$5,162	(\$2,596)	\$2,566
2	1	3	Service Contracts	General Admin	To reclassify software, licenses and subscriptions	Cost Report Instructions	\$4,046	\$2,596	\$6,642

Total effect on Cost Report: \$0

OHIO AUDITOR OF STATE KEITH FABER



AREA AGENCY ON AGING, PLANNING AND SERVICE AREA 2

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 3/21/2024

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