



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT ACCOUNTANT'S 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 East Carroll Nursing Home, Inc. DBA Countryview Manor's Medicaid Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID) Cost Report and Medicaid payments for the year ended December 31, 2022 and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the management of the ICF-IID. The ICF-IID is responsible for the Cost Report for the year ended December 31, 2022 and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the ICF-IID.

The Ohio Department of Medicaid has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the ICF-IID's Cost Report for the year ended December 31, 2022, and certain compliance requirements related to the Cost Report and Medicaid services. Additionally, the Ohio Department of Developmental Disabilities has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. 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 the report and may not meet the needs of all users of the 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:

Census Data and Medicaid Paid Claims

1. We footed the Monthly Accounts Receivable Days reports. There were no computational errors. We compared the total of inpatient and leave days from the receivable reports to *Schedule A-1, Summary of Inpatient Days*. There were no omitted days.
2. We selected two residents from the Monthly Days Receivable reports and included residents with leave days in the selection. We obtained the medical records for the selected individuals for one month. We confirmed the ICF-IID maintained service documentation for each selected date as required by Ohio Admin. Code §§ 5123-7-12(H) and 5123-3-04(J). We found no omitted days.

For any reimbursed leave days, we obtained the remaining Monthly Days Receivable reports and any prior authorization documentation. We totaled the leave days per resident and, for any days over 30, we confirmed that the days were prior authorized as required by Ohio Admin. Code § 5123-7-08(E).

3. We compared the number of reimbursed Medicaid days with the total Medicaid days reported on *Schedule A-1*. We found that reported days are greater than net Medicaid reimbursed days.

Revenue

1. We agreed the revenue from the General Ledger to the revenue reported on *Attachment 1, Revenue Trial Balance* and with the chart of account classifications in the Appendix to Ohio Admin. Code § 5123-7-12. There were no variances.
2. We scanned the description in the General Ledger for any discounts, allowances, refunds or rebates and compared these entries to the chart of account codes on *Attachment 2, Adjustments to Trial Balance; Schedule B-1, Other Protected Costs; Schedule B-2, Direct Care Cost Center; or Schedule C, Indirect Cost Care Center*. We found no unreported offsets.

Non-Payroll Expenses

1. We compared all non-payroll expenses from the General Ledger to *Schedule B-1, B-2, and C*. We found a variance resulting in decreased costs as reported in the appendix.
2. We scanned the General Ledger for potentially unallowable or improperly allocated costs and costs with no business purpose associated with the ICF-IID per CMS Publication 15-1, § 2102 to 2139 and § 2302.4.

We selected 30 non-payroll expenses and 10 home office expenses from *Schedules B-1, B-2 and C* that exceed \$500, including a minimum of two contract personnel/position vouchers, and obtained the invoice and/or contract for each expense, and, if the purpose of the expense was unclear, we inquired with the ICF-IID. Using this documentation and any additional explanations, we performed the following procedures on each expense:

- We confirmed that the documentation for the full cost was maintained as required by Ohio Admin. Code § 5123-7-12(H).
- We footed the invoice/documentation for accuracy. We found no computational differences resulting in decreased costs. We compared the invoice rate to the contracted rate. We found no variances within the rates.
- We compared the documentation for each expense to the unallowable categories listed in CMS Publication 15-1, § 2102 to 2139. We found no non-reimbursable costs.
- We compared the documented type of non-payroll expense to the schedule and chart of account classification reported on the Cost Report and to the chart of account classifications in the Appendix to Ohio Admin. Code § 5123-7-12 and the Instructions for completing the Ohio Department of Developmental Disabilities calendar year cost report for Intermediate Care Facilities for Individuals with Intellectual Disabilities Cost Report (Cost Report Instructions). We found no variances between schedules exceeding \$500.
- We documented the name and type of expense and inquired with ICF-IID and confirmed that the business purpose of the expense benefitted the ICF-IID in accordance with CMS Publication 15-1 § 2302.4.
- We compared the cost and type of expense on the documentation to Ohio Admin. Code § 5123-7-18 to confirm that the expense was not a capital asset. We found capital assets and reported variances to remove the expense and include depreciation costs as reported in the Appendix.

Non-Payroll Expenses (Continued)

- We compared the cost methodology and allocation statistics for each expense to the allowable methods per CMS Publication 15-1 § 2302.8. We found no variances. We confirmed each amount was expensed during 2022 and used the proper accounting basis in accordance with the Cost Report instructions.

Payroll

1. We compared all salary and fringe benefits on the General Ledger to *Schedules B-1, B-2, and C*. We found no variances resulting in decreased costs.

We also compared hours and percentage of time worked and salaries from the Payroll Yearly Summary to *Schedule C-1, Administrator's Compensation* and *Schedule C-2, Owner's Relatives Compensation* and to CMS Publication 15-1 § 2304. There were variances for unsupported time worked on *Schedule C-1*. We removed hours and percentage of time worked and reclassified the compensation as reported in the Appendix.

2. We obtained the Payroll Yearly Summary and selected five employees reported on *Schedules B-1, B-2, and C* and all employees on *Schedule C-1* and *C-2* and if the programs which benefit from the employees' work is unclear, we inquired with the ICF-IID. We performed the following procedures on each selected employee:
 - We compared the Payroll Yearly Summary and Payroll Code Crosswalk to the General Ledger and the General Ledger to the Cost Report and determined if documentation for the full cost was maintained as required by Ohio Admin. Code § 5123-7-12(H). We found a variance for one employee as reported in the Appendix.
 - We compared the job description for each employee to the unallowable categories listed in CMS Publication 15-1, § 2102 to 2139 and determined if the employee salary and benefit costs benefitted the Medicaid program in accordance with CMS Publication 15-1 § 2302.4. We found no non-reimbursable costs.
 - We compared the employee job description, organizational chart and salary and benefit costs on the Payroll Yearly Summary and Payroll Code Crosswalk to the General Ledger and the General Ledger to the schedule and account classification reported on the Cost Report and to the chart of account classification in the Appendix to Ohio Admin. Code § 5123-7-12 and to the Cost Report instructions. We found a reclassification between schedules for one employee exceeding \$500 as reported in the Appendix.
 - We compared the cost methodology and allocation statistics for each employees' salary and benefit costs to the allowable methods per CMS Publication 15-1 § 2302.8 and determined if employees' salary and benefit costs were expensed during 2022 and used the proper accounting basis in accordance with the Cost Report instructions. We found no variances.

Property

1. We compared the initial square footage and year of construction of the 2193 Commerce Drive ICF-IID facility from the Carroll County Auditor's Property records to *Attachment 9, Fair Rental Value Survey*. There were no differences in the square footage exceeding 10 percent. There were variances in the year of construction as reported in the Appendix.

Property (Continued)

2. We compared equipment depreciation and lease costs from the Custom Tax Depreciation Schedule and General Ledger to *Schedule D, Capital Cost Center* and the Cost Report Instructions. There were no variances.

We scanned the Depreciation Schedule and General Ledger to identify any reported loss on *Schedule D* not in accordance with CMS Publication 15-1, § 104.10(E). We found no reported loss.

We were engaged by the Ohio Department of Medicaid to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 ICF-IID's Cost Report and compliance with certain laws and regulations. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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



Keith Faber
Auditor of State
Columbus, Ohio

March 25, 2024

Appendix

**East Carroll Nursing Home, Inc. DBA Countryview Manor
Medicaid ICF-IID Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-2 Direct Care Cost Center				
24. Other Direct Care-Specify Below- 6220- Salary Facility Employed (1)	\$ 70,377	\$ 5,000	\$ 75,377	To reclassify allocation of administrator salary without support
Schedule C Indirect Care Cost Center				
5. Dietary Minor Equipment - 7030 - Other/Contract Wages (2)	\$ 3,827	\$ (2,884)	\$ 943	To remove direct expense for refridgerator and record current year depreciation
23. Personal Care - Supplies - 7120 - Other/Contract Wages (2)	\$ 2,753	\$ (356)	\$ 2,397	To correct Personal Care supply costs to actual costs per General Ledger
26. Administrator-7200-Salary Facility Employed (1)	\$ 5,000	\$ (5,000)	\$ -	To reclassify allocation of administrator salary without support
35. Housekeeping - 7245 - Other/Contract Wages (2)	\$ 29,577	\$ (1,152)	\$ 28,425	To remove direct expense for shower gurney and record current year depreciation
Schedule C-1 Administrators Compensation				
Section B: - Paid Weekly Hours (3)	2.80	\$ (2.8)	-	To reclassify allocation of administrator salary without support
Section B: - Paid Weekly % (4)	7.00	\$ (7)	-	To reclassify allocation of administrator salary without support
Section B: - Compensation Amount (7)	\$ 5,000	\$ (5,000)	\$ -	To reclassify allocation of administrator salary without support
Schedule D Capital Cost Center				
4. Depreciation - Equipment - 8040 -Total (3)	\$ 6,173	\$ 48		To remove direct expense for shower gurney and record current year depreciation
		\$ 120	\$ 6,341	To remove direct expense for refridgerator and record current year depreciation
Attachment 9, Fair Rental Value Survey Initial Construction				
Year of Initial Construction	2005	(1)	2004	To correct year of construction to County Auditor records

OHIO AUDITOR OF STATE KEITH FABER



EAST CARROLL NURSING HOME, INC. DBA COUNTRYVIEW MANOR

CARROLL 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 4/30/2024

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