



Dave Yost • Auditor of State

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**CARING HANDS TRANSPORTATION OF OHIO, LLC
FRANKLIN COUNTY**

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Independent Auditor's Report On Compliance With Requirements Applicable to Medicaid Program

Fred and Tanika Harrison, Owners
Caring Hands Transportation of Ohio, LLC
1249 Cedon Run Drive
Blacklick, Ohio 43004

Re: *Medicaid Provider Number 2961648*

Dear Mr. and Mrs. Harrison:

We examined Caring Hands Transportation of Ohio, LLC (the Provider) for compliance with Ohio Administrative Code (Ohio Admin. Code) § 5101:3-15 during the period of August 1, 2009 through December 31, 2010. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Management is responsible for Caring Hands Transportation of Ohio's compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 204 ambulette services and found significant non-compliances with certificates of medical necessity and documentation of service delivery. We identified 109 errors relating to non-compliance with those requirements (see Compliance Report). We found the Provider was overpaid by Ohio Medicaid for ambulette services from August 1, 2009 through December 31, 2010 in the amount of \$61,385.00. This finding plus interest in the amount of \$9,619.79 totaling \$71,004.79 is due and payable to the Ohio Department of Medicaid (ODM)¹ upon ODM's adoption and adjudication of this examination report. After adjudication by ODM, additional interest may be assessed until the finding and interest is paid in full.

When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,² any amount in excess of that legitimately due to the provider will be recouped by ODM, Fiscal Operations, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B). A copy of this report will be forwarded to ODM for making a final determination regarding recovery of our findings and

¹ Effective July 1, 2013, ODM replaced the Ohio Department of Job and Family Services as the state Medicaid agency.

² "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "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).

any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting ODM's Office of Legal Services at (614) 752-3631.

Copies of this report are also being sent to the Medicaid Fraud Control Unit of the Ohio Attorney General's Office; the U.S. Department of Health and Human Services/Office of Inspector General; and the Ohio State Board of Emergency Medical Services. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

Sincerely,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

October 7, 2013

Compliance Report for Caring Hands Transportation of Ohio, LLC

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. The rules and regulations that providers must follow are specified in the Ohio Administrative Code and the Ohio Revised Code. The fundamental concept underlying the Medicaid program is medical necessity of services: defined as services which are necessary for the diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. See Ohio Admin. Code § 5160-1-01(A)

The Auditor of State performs examinations to assess provider compliance with Medicaid reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care, and medical necessity. According to Ohio Admin. Code § 5160-1-17.2(D), 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 or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5160-1-17.2(E)

The Provider's Ohio Medicaid provider number is 2961648 and the Provider is a transportation company located in Franklin County, Ohio, that renders ambulette services to Ohio Medicaid recipients. The Provider received reimbursement of \$109,539.52 for 7,446 ambulette services rendered on 1,773 recipient dates of service (RDOS) during the examination period. A recipient date of service is defined as all services for a given patient on a specific date of service.

Some Ohio Medicaid patients confined to a wheelchair may be eligible to receive transportation services provided by an ambulette provider. See Ohio Admin. Code § 5160-15-03(B)(2). An ambulette is a vehicle designed to transport wheelchair bound individuals. Qualifying ambulette services must be certified as medically necessary by an attending practitioner, for individuals who are non-ambulatory, able to be safely transported in a wheelchair, and do not require an ambulance. "Attending practitioner" is defined as the primary care practitioner or specialist who provides care and treatment to the patient on an ongoing basis and who can certify the medical necessity for the transport. An attending practitioner can be a doctor of medicine, a doctor of osteopathy, a doctor of podiatric medicine, or an advanced practice nurse. Ohio Admin. Code § 5160-15-01(A)(6).

All medical transportation services must be prescribed by a Certificate of Medical Necessity (CMN) except for ambulance transports to a hospital emergency room and ambulance or ambulette transfers of individuals, who are non-ambulatory, from one hospital to another hospital if the services provided at the second hospital are covered by Medicaid. See Ohio Admin. Code § 5160-15-02(E)(4)

Ambulette providers must maintain records describing the transportation services including:

- The time of scheduled pick up and drop off, attendant name, patient name and Medicaid number, driver name, vehicle identification, name and address of the Medicaid covered service provider at the Medicaid covered point of transport, pick-up and drop-off times, the type of transport provided, and mileage;
- The original CMN; and
- Current certification or licensure for the driver and attendants.

Ohio Admin. Code § 5160-15-02(E)(2)

Purpose, Scope, and Methodology

The purpose of this examination was to examine Medicaid reimbursements made to the Provider for services and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations.

The scope of the engagement was limited to an examination of ambulette services for which the Provider rendered services to Medicaid patients and received payment during the period of August 1, 2009 through December 31, 2010.

We received the Provider's paid claims history from ODM's Medicaid Management Information System (MMIS) database of 7,478 services billed to and paid by Ohio's Medicaid program and removed 32 zero-paid services. The remaining population of 7,446 services was used to select a simple random sample based on RDOS to facilitate a timely and efficient examination of the Provider's ambulette services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We also examined personnel files for drivers to ensure that the certification requirements were met prior to rendering services.

An engagement letter was sent to the Provider on December 10, 2012, setting forth the purpose and scope of the examination. An entrance conference was held at the Provider's location on December 20, 2012. Our fieldwork was performed in December 2012. After conducting our initial review of records on-site, we submitted a compiled list of missing records to the Provider. Additional employee information was requested on March 6, 2013. The Provider submitted additional documentation which we reviewed for compliance.

During the exit conference, the Provider again submitted additional documentation which we reviewed for compliance. The Provider submitted a signed representation letter.

Results

We reviewed 204 ambulette transportation service lines (97 paid transports with corresponding paid mileage, and 10 paid attendant services) and identified 109 errors. The reimbursements for those services with errors were disallowed. While certain services had more than one error, only one finding was made per service. The bases for our findings are discussed below in more detail.

The overpayments identified for 42 of 50 RDOS (144 of 204 service lines) from our statistical random sample were projected across the Provider's total population of paid recipient dates of service. This resulted in a projected overpayment amount of \$72,427 with a precision of plus or minus \$13,235 at the 95 percent confidence level. Since the precision achieved was greater than our procedures require for use of a point estimate, the results were re-stated as a single tailed lower limit estimate (equivalent to methods used in Medicare audits), and a finding was made for \$61,385. This allows us to say that we are 95 percent certain that the population overpayment

amount is at least \$61,385. A detailed summary of our statistical sample and projection results is presented in **Appendix I**.

A. Certificate of Medical Necessity

All transportation providers are required by Ohio Admin. Code § 5101:3-15-02(E)(2)(b) to obtain a CMN, signed by an attending practitioner, that documents the medical necessity of the transport. Ambulette providers must obtain the completed, signed and dated CMN prior to billing the transport. See Ohio Admin. Code § 5101:3-15-02(E)(4)(d)

The review identified 37 transports that did not have a completed CMN to authorize the transport and 22 transports where the CMN was invalid. A CMN is invalid due not being signed by an authorized practitioner. We noted that a number of the CMNs provided were copies of prior CMNs with the only change being the date of signature.

In addition, for the CMNs that were present and signed by authorized practitioner, we noted that several were not complete. These CMNs did not consistently contain the medical condition which requires the patient to use an ambulette and did not indicate that the recipient met the criteria for an ambulette transport. We did not take findings for these incomplete CMNs.

We also observed that the Provider is completing sections of the CMN – the section that certifies the recipient meets the criteria for ambulette transport and the section that indicates the period of time that the patient requires an ambulette for transportation. The Provider always checks the box indicating that the recipient needs ambulette transport on permanent basis (defined as needing an ambulette for at least 365 days). As the CMN is the form to certify the medical necessity of the transport, it is to be completed by a practitioner who is familiar with the care and treatment of the patient. By prior completion of these sections of the report, the Provider is putting the onus on the attending practitioner to correct the pre-completed sections. This practice may lead to over-utilization of this Medicaid covered service.

The errors for the 59 transports with either no CMN or an invalid CMN were used in the overall finding projection.

Recommendation:

The Provider should establish a system to obtain the required CMNs, completed by an authorized attending practitioner, and to review those CMNs to ensure they are complete prior to billing Medicaid for the transport. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

B. Trip Documentation

Trip documentation should describe the transport from the time of pick-up, to time of drop-off, mileage, addresses to and from destination points, attendant's name and the driver's name for each trip. This requirement is necessary to calculate the correct payment prior to billing Ohio Medicaid. See Ohio Admin. Code § 5101:3-15-02(E)(2)(a). Ambulette providers are eligible to use attendants to assist with the transfer of Medicaid recipient. An attendant is an individual employed by the transportation provider. See Ohio Admin. Code § 5101:3-15-01(A)(5)

The Provider stated that for a period of time it billed for attendant services provided by non-agency employees. At some point in time this practice ended and the Provider stated it only billed for agency employees; however, the Provider could not identify when this change in billing practices occurred. The documentation for the attendant services reviewed in the sample did not contain the name of the attendant. The documentation only noted if attendant services were provided using a "y" or "no".

The examination found the following non-compliance issues with the Provider's service documentation:

- 11 transports with no service documentation to support that a transport occurred;
- 10 attendant services that omitted the name of the attendant (100 percent of all attendant services reviewed);
- 14 transports where the documentation was incomplete – missing pick up and drop off times, mileage, identification of driver and complete addresses; and
- 2 services in which the mileage billed did not match mileage documented.

These errors were used in the overall finding projection.

Recommendation:

The Provider should develop and implement procedures to ensure that all service documentation fully complies with requirements contained in Ohio Admin. Code § 5101:3-15-02. In addition, the Provider should implement a quality review process to ensure that documentation is complete prior to submitting claims for reimbursement. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Driver and Attendant Qualifications

All ambulette drivers and attendants must pass a criminal background check and have a signed medical statement from a licensed physician declaring the individual does not have a medical, physical or mental condition or impairment which could jeopardize the health or welfare of patients being transported. Also, each driver must undergo testing for alcohol and controlled substances by a certified laboratory and be determined to be drug free. Background checks, medical statements, and drug test results must be completed and documented before the employee begins providing ambulette services or within 60 days thereafter. Prior to employment, each driver and attendant must obtain first aid and Cardiopulmonary Resuscitation (CPR) certification (or have an Emergency Medical Technician certification), and complete passenger assistance training. Additionally, each driver must provide a copy of his/her driving record from the Bureau of Motor Vehicles (BMV) at the time of application for employment and annually thereafter. See Ohio Admin. Code § 5101:3-15-02(C)(3)

The two owners of Caring Hands Transportation of Ohio were both ambulette drivers and attendants during the examination period. Personnel files were reviewed for both individuals to ensure that driver and attendant qualifications was met. We found that one of the owners had no BMV driving record (either at beginning of service delivery or annually thereafter), no passenger assistance training, no first aid certificate, and no CPR certificate. In addition, this owner did not have a medical statement or testing for alcohol and controlled substances completed within the required 60 day period (both were completed after the examination period).

There were 13 transports in the sample with the unqualified driver. These 13 errors were used in the overall finding projection. We were unable to identify which attendant services were provided by this individual as the documentation did not include the name of the attendant (see Trip Documentation). In addition, we noted that the other owner/driver had a seven day lapse in which he did not have a current driver's license.

Recommendation:

The Provider should develop and implement a system to ensure that all drivers and attendants complete required documentation prior to rendering ambulette services. The Provider should

address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on September 10, 2013, and the Provider was afforded an opportunity to respond to this examination report.

The Provider responded indicating it disagreed with overpayments identified for services with invalid CMNs as it is the attending practitioner's responsibility to complete the CMN form.

AOS response: No change identified for invalid CMNs as the Ohio Medicaid rules state that a completed, signed and dated practitioner certification form must be obtained by the transportation provider before billing the department for the transport. Ohio Admin. Code § 5101:3-15-02 (E)(4)(d)

APPENDIX I

**Summary of Sample Record Analysis of Caring Hands Transportation of Ohio, LLC
 For the period August 1, 2009 through December 31, 2010
 Ambulette Services**

Description	Analysis
Type of Examination	Simple Random Sample
Type of Examination	Paid Transportation Services Net of Adjustments
Number of Population Recipient Dates of Service (RDOS)	1,773
Number of Population RDOS Sampled	50
Number of RDOS Sampled with Errors	42
Number of Population Services Provided	7,446
Number of Population Services Sampled	204
Number of Services Sampled with Errors	144
Total Medicaid Amount Paid for Population	\$109,539.52
Amount Paid for Population Services Sampled	\$2,993.07
Estimated Overpayment (Point Estimate)	\$72,427
Precision of Overpayment Estimate at 95% Confidence Level	+/- \$13,235
Precision of Overpayment Estimate at 90% Confidence Level	+/- \$11,042
Single-tailed Lower Limit Overpayment Estimate at 95% Confidence Level (Calculated by subtracting the 90% overpayment precision from the point estimate) (Equivalent to method used for Medicare audits)	\$61,385

Source: AOS analysis of MMIS information and the Provider's records



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CARING HANDS TRANSPORTATION OF OHIO, LLC

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 7, 2013**