



Dave Yost • Auditor of State



**FF MUELLER RESIDENTIAL CENTER – YELLOW UNIT  
CLARK COUNTY**

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# Dave Yost • Auditor of State

## Independent Auditor's Report on Applying Agreed-Upon Procedures

Mr. Chris Carson, Bureau Chief  
Bureau of Audit Performance  
Ohio Department of Medicaid  
50 W. Town St., 5th Floor  
Columbus, OH 43215

Dear Mr. Carson:

As permitted by Ohio Rev. Code § 5111.27 and Ohio Admin. Code § 5101:3-3-20, the Auditor of State's Office (AOS) performed the procedures enumerated below to which the Ohio Department of Medicaid (ODM) agreed. These procedures are designed to assist you in evaluating whether the FF Mueller Residential Center–Yellow Unit (hereafter referred to as the Provider) prepared its JFS 02524 ICF-MR Medicaid Cost Report for the period January 1, 2011 through December 31, 2011 in accordance with the Medicaid cost report instructions and the Appendix to Ohio Admin. Code § 5101:3-3-71.1 (Cost Report Instructions) and to assist you in evaluating whether reported transactions complied with CMS Publication 15-1 (Provider Reimbursement Manual), and other compliance requirements described in the procedures below. All rules and code sections relied upon in this report were those in effect during the audit period and may be different from those currently in effect. The Provider's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of ODM. 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.

### **Occupancy and Usage**

1. ODM requested that we report variances if the Provider's inpatient days were greater than those reported on *Schedule A-1, Summary of Inpatient Days*.

We compared the Provider's inpatient days on the Yellow Unit ICF Monthly Census Reports for the number of patient days for Medicaid and non-Medicaid patients to those reported on *Schedule A-1, Summary of Inpatient Days*. We also footed the reports for accuracy.

We found no variances where inpatient days were greater than reported.

2. ODM requested that we report variances if total Medicaid inpatient days and total inpatient days were greater than those reported on *Schedule A-1, Summary of Inpatient Days* for one month.

We compared the Medicaid inpatient days and total inpatient days reported on *Schedule A-1, Summary of Inpatient Days* for December 2011 with the total of the Yellow ICF Monthly Census Sheet for Medicaid inpatient days and total inpatient days. We also footed the reports for accuracy.

We found no variances where inpatient days on the Monthly Census Sheet were greater than *Schedule A-1, Summary of Inpatient Days* for December 2011.

3. ODM requested that we report variances to *Schedule A-1, Summary of Inpatient Days* if total inpatient days were greater than those reported for one month.

We haphazardly selected three individual resident medical records and compared the total days the resident was in the Provider's care for month of December with the total inpatient days reported on the Yellow ICF Monthly Census Sheet for December 2011 and *Schedule A-1, Summary of Inpatient Days*. For the selected individuals we also determined if the Provider included any waiver respite days as Medicaid or Medicare days and if bed hold days in excess of 30 in a calendar year, as documented on the Individual Out of Facility Detail report, received the proper authorization on form JFS 09402 in accordance with Ohio Admin. Code § 5101:3-3-16.8.

We found no variances where inpatient days were greater than reported for the month and no misclassified waiver respite days or unauthorized bed hold days.

4. ODM requested that we report variances if the Provider had reimbursed Medicaid days in excess of total Medicaid days reported on *Schedule A-1, Summary of Inpatient Days*.

We compared the number of reimbursed Medicaid days per the Medicaid Information Technology System (MITS) with the total Medicaid days reported on *Schedule A-1, Summary of Inpatient Days*.

We found the total Medicaid days reported exceeded Medicaid reimbursed days per MITS.

### **Medicaid Paid Claims**

1. ODM requested that we select paid claims for three Provider residents in one month and report any variances if the claims did not meet the applicable documentation requirements.

We selected all paid claims for three Provider residents for the Month of December 2011 from the Medicaid Information Technology System (MITS) and compare the reimbursed Medicaid days to the days documented per the resident's medical records. We determined if the Provider's documentation met the general requirements of CMS Publication 15-1, Chapter 23, and Ohio Admin. Code § 5101:3-3-20 and if the days billed met the specific requirements of Ohio Admin. Code § 5101:3-3-16.8 (C) to (E) as an occupied or bed hold day and Ohio Admin. Code § 5101:-3-3-39 for the payment adjustment requirements for resident's discharge, admittance to hospital, death or election to receive hospice care.

We found no instances of non-compliance with these documentation requirements.

### **Non-Payroll Expenses**

1. ODM requested that we compare the Provider's non-payroll expenses to the amounts reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, and Schedule C, Indirect Cost Care Center*, and report reclassifications between schedules and adjustments resulting in decreased costs exceeding five percent of non-payroll expenses on any Schedule.

We compared all non-payroll expenses on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, and Schedule C, Indirect Cost Care Center* to the Provider's 2011 Trial Balance and General Ledger.

We found no differences exceeding five percent on any schedule.

2. ODM requested that we select a sample of 20 non-payroll expenses reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Center and Exhibit 3, Home Office Trial Balance* and report expenses exceeding \$500 which lacked supporting documentation, or were not properly allocated or were unallowable.

We haphazardly selected 20 non-payroll expenses in total from non-payroll accounts on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Center and Exhibit 3, Home Office Trial Balance*. We reviewed these expenses to determine if they had supporting documentation, were properly allocated and classified and were allowable expenses per the Cost Report Instructions, Ohio Admin. Code § 5101:3, CMS Publication 15-1.

We found variances exceeding \$500 and reported the adjustments in Appendix A.

3. ODM requested that we review the allocation methodology used in the Provider's Home Office Trial Balance allocating costs on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center and Schedule C, Indirect Cost Care Center* and equity on *Schedule E-1, Return on Equity Capital of Proprietary Providers* and determine if it was reasonable, allowable, related to residential care, and properly classified in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, Section 2150 and the cost report instructions and report any reclassifications between schedules and adjustments resulting in decreased Home Office Costs on any Schedule.

We reviewed the allocation methodology used in the Provider's Home Office Trial Balance, Expenses for Active Treatment and Depreciation schedules allocating costs on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center and Schedule C, Indirect Cost Care Center* to determine whether it was reasonable, allowable, related to residential care, and properly classified in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, § 2150 and the cost report instructions.

We found differences relating to improper allocation methodologies as reported in Appendix A.

We noted that the Provider allocated Home Office Costs on Schedules B-1, B-2 and C based on cost methodologies (e.g., number of ICFs with the same Chain Home Office or number of licensed beds) other than those allocation methodologies required per CMS Publication 15-1, § 2150 which states in pertinent part, "for home office account periods beginning on or after January 1, 1983: pooled home office costs must be allocated on the basis of inpatient days, provided the chain is composed solely of comparable inpatient health care facilities."

We also found an improper allocation methodology used for the active treatment expense and related transportation costs based on estimated expenses and trips rather than actual as required by CMS Publication 15-1, § 2102 which states in pertinent part, "it is the intent of the program that providers are reimbursed the actual costs of providing high quality care." and § 2302.4(A) which states in pertinent part, "Directly Allocable Costs are chargeable based on actual usage (e.g., metered electricity) rather than a statistical surrogate."

#### **Recommendation:**

We recommend the Provider allocate Home Office expenses based on inpatient days and report the actual active treatment expenses.

4. ODM requested that we scan the Provider's non-payroll expenses reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Center* for non-federal reimbursable costs or costs not properly classified exceeding \$500 or contractor costs over \$10,000 that should have been reported on Schedule C-3, Costs of Services from Related Parties.

We scanned the Provider's General Ledger and Locations by Residential Code Detailed reports for non-payroll expenses reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Center* and report non-federal reimbursable costs or costs not classified in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, or the cost report instructions. We also scanned for any contractors which would require reporting on Schedule C-3, Costs of Services from Related Parties.

We found no differences exceeding \$500 or contracts exceeding \$10,000 which should be reported on Schedule C-3.

5. ODM requested that we compare the 2011 non-payroll costs reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center* by chart of account code to non-payroll costs reported by chart of account code in 2010 and obtain the Provider's explanation for non-payroll variances that increased by more than five percent and \$500 from the prior year's Schedules and report adjustments exceeding \$500 and five percent of non-payroll costs on any Schedule.

We compared the 2011 non-payroll costs reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center* by chart of account code to non-payroll costs reported by chart of account code in 2010 and obtain the Provider's explanation for the five non-payroll variances.

We obtained the Provider's explanation that the increase in franchise permit fees on *Schedule B-1, Other Protected Costs* was due to a financial posting error. We also obtained the Provider's explanation that the increase in Home Office Costs, Speech Therapist, and Employee Fringe Benefits - Direct Care on *Schedule B-2, Direct Care Cost Center* was due to program needs and the increased costs of medical insurance. We further obtained the Provider's explanation that the increase in Employee Fringe Benefits - Dietary, Program Supplies, Plant Operations/Maintenance Supervisor, and Employee Fringe Benefits - Indirect Care on *Schedule C, Indirect Care Cost Center* were due to the costs of medical insurance and program needs.

We found no adjustments exceeding \$500 and 5% of non-payroll costs on any Schedule.

## Property

1. ODM requested we compare the Provider's procedures regarding capitalization of fixed assets used for preparing *Schedule D, Capital Cost Center, Schedule D-1, Analysis of Property, Plant and Equipment*, and *Schedule D-2, Capital Additions/Deletions* with the Cost Report instructions and CMS Publication 15-1 and report any variances.

We compared the Provider's procedures regarding capitalization of fixed assets used for preparing *Schedule D, Capital Cost Center, Schedule D-1, Analysis of Property, Plant and Equipment*, and *Schedule D-2, Capital Additions/Deletions* with the Cost Report instructions and CMS Publication 15-1.

We noted one inconsistency between the Provider's capitalization policy and the guidelines in that the Provider does not determine a salvage value when calculating depreciation as required by CMS Publication 15-1, 104.19, which states in pertinent part, "virtually all assets have a salvage value substantial enough to be included in calculating depreciation, and only in the rare instance is salvage value so negligible that it may be ignored."

**Recommendation:**

We recommend the Provider calculate a salvage value equal to 10% of historical cost when determining the initial net book value to be depreciated for each new capital asset purchase. See Procedure 3 for corresponding adjustments.

2. ODM requested that we compare capital assets and corresponding depreciation listed on *Schedule D, Capital Cost Center, Schedule D-1, Analysis of Property, Plant and Equipment*, and *Schedule D-2, Capital Additions/Deletions* to the Provider's Depreciation Schedule and Book Asset Detail report and report differences exceeding \$500.

We compared capital assets and corresponding depreciation listed on *Schedule D, Capital Cost Center, Schedule D-1, Analysis of Property, Plant and Equipment*, and *Schedule D-2, Capital Additions/Deletions* to the Provider's Depreciation Schedule and Book Asset Detail report.

We found no differences exceeding \$500 for depreciation expense.

**Recommendation:**

We found that *Schedule D-1, Analysis of Property, Plant and Equipment*, columns 1 through 6 contained information that was Home Office wide and not FF Mueller Residential Center - Yellow ICF specific as required by the Cost Report Instructions which state in pertinent part, "enter balances recorded in the facility's books at the beginning and at the end of the reporting period in the appropriate columns. Where the facility is a distinct part of a NF or ICF-MR, enter total amounts applicable only to the distinct part."

We recommend the Provider prepare all Schedules by distinct ICF unit when required.

3. ODM requested that we select a total of three additions, renovations, and/or deletions reported on *Schedule D-1, Analysis of Property, Plant and Equipment*, and *Schedule D-2, Capital Additions/Deletions* and determined if the cost basis, useful life and depreciation expense were in accordance with the Cost Report Instructions and Ohio Admin. Code § 5101:3-3-01 (BB) and report any differences.

We selected a total of three additions, renovations, and/or deletions reported on *Schedule D-1, Analysis of Property, Plant and Equipment*, and *Schedule D-2, Capital Additions/Deletions* and reviewed the cost basis, useful life and depreciation expense to determine whether they were in accordance with the Cost Report Instructions and Ohio Admin. Code § 5101:3-3-01 (BB).

We also reviewed the assets to determine whether they were used in residential care or should be reclassified as the Costs of Ownership in accordance with Ohio Admin. Code § 5101:3 and CMS Publication 15-1.

We found differences as reported in Appendix A.

4. ODM requested we review the rent and lease agreements to determine if any related party lease costs were recorded in accordance Ohio Admin. Code §§ 5101:3-3-01(BB) and 5101:3-3-84.3, and that non-related party leases meet the requirements of FASB 13 if costs were recorded in *Schedule D, Analysis of Property, Plant and Equipment* in Lease and Rent Accounts 8060 or 8065 and report any differences.

We did not perform this procedure because there were no costs recorded in *Schedule D, Analysis of Property, Plant and Equipment* in Lease and Rent Accounts 8060 or 8065.

5. ODM requested we compare the renovation costs and financing costs in the Non-extensive Renovation Letter to Schedule D-1, Analysis of Property, Plant and Equipment if costs were recorded in *Schedule E, Balance Sheet*, Account 1300, Renovations and report any differences.

We did not perform this procedure because there were no costs recorded in *Schedule E, Balance Sheet*, Account 1300, Renovations.

6. ODM requested we review the Fixed Asset/Depreciation Listing to ensure transportation expenses were reasonable, allowable and related to patient care as defined in CMS Publication 15-1. ODM also requested we review the W-2s to determine if any corporate officers and owners who exclusively used vehicles reported additional compensation or were adjusted from allowable expenses pursuant to CMS Publication 15-1, Chapter 9 if transportation costs are recorded in *Schedule D-1, Analysis of Property, Plant and Equipment* and report any differences.

We did not perform these procedures because there were no transportation costs recorded in *Schedule D-1, Analysis of Property, Plant and Equipment*.

## Payroll

1. ODM requested that we compare the Provider's payroll expenses to the amounts reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, and Schedule C, Indirect Cost Care Center, Schedule C-1, Administrator's Compensation and Schedule C-2, Owner's Relatives Compensation* and report reclassifications between schedules and adjustments resulting in decreased costs or hours exceeding five percent on any Schedule.

We compared all salary, fringe benefits and payroll tax entries and hours worked reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center, Schedule C-1, Administrator's Compensation and Schedule C-2, Owner's Relatives Compensation* to the Provider's ICF Salaries by Location, FF Mueller Salaries and Fringes, Fringes and Taxes, Longevity and the IHAC Expense Detail reports to identify variances exceeding five percent of total payroll expenses or hours reported on any Schedule.

We found no differences exceeding five percent on any Schedule.

2. ODM requested that we select a sample of 10 employees reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Center and Exhibit 3, Home Office Trial Balance* and determine if any salaries and fringe benefit expenses exceeding \$500 were not properly allocated and classified or were unallowable.

We selected 10 employees (including all Administrators and Owners) and compared the Provider's job descriptions to the Schedule in which each employee's salary and fringe benefit expenses were reported to determine if the payroll costs were allowable under CMS Publication 15-1, were properly classified, allocated and allowable in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, Chapter 9 and § 2150 and the Cost Report Instructions

We found no differences exceeding \$500. Management could not provide supporting documentation necessary to confirm management's assumptions about the allocation of payroll costs related to general service and habilitation staff cost centers (see Recommendation below).

**Recommendation:**

We did find the Provider allocated salaries for Unit counselors based on a 2001 time study to *Schedule C, Indirect Care Cost Center* for laundry, dietary and housekeeping (general service costs) and the *Schedule B-2, Direct Care Cost Center* for Habilitation Staff. The Provider could not provide supporting documentation for the 2001 time study.

Moreover, CMS Publication §2307 (A) states in pertinent part, "Direct assignment of cost is the process of assigning directly allocable costs of a general service cost center (such as housekeeping, laundry, and dietary costs described in §2302.9) to all cost centers receiving service from that cost center based upon actual auditable usage. Hours worked by hourly wage or metered utility consumption are examples of measures of actual usage. Estimates, including a statistical surrogate such as square feet, are not acceptable. Time studies are considered statistical surrogates and, thus, may not be used."

Additionally, §2307 (A) states "Examples of acceptable direct assignment of cost to benefiting cost centers are salaries paid to housekeeping staff directly assigned, based on time records of housekeeping maintained throughout the cost reporting period; purchased laundry and linen costs directly assigned, based on invoices which identify the cost for each benefiting cost center; and depreciation on movable equipment physically present or used in each of the cost centers."

Furthermore, §2307 (A)(4) states " The basis of allocation for cost finding any indirect supervisory costs, residual costs and allocated overhead must be an appropriate measure of the benefits provided to the remaining cost centers. Any deviation from the allocation basis prescribed for cost finding must be reviewed and approved by the intermediary in advance as part of the provider's request for direct assignment of costs."

We recommend the Provider update its cost methodology for allocating general service cost centers and direct cost centers to be in accordance with CMS cost methodologies.

3. ODM requested that we compare the 2011 payroll costs reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center, Schedule C-1, Administrator's Compensation* and *Schedule C-2, Owner's Relatives Compensation* by chart of account code to payroll costs reported by chart of account code in 2010 and obtain the Provider's explanation for five payroll variances that increased by more than five percent from the prior year's Schedules and report adjustments exceeding \$500 and five percent of payroll costs on any Schedule.

We compared the 2011 payroll costs reported on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center, Schedule C-1, Administrator's Compensation* and *Schedule C-2, Owner's Relatives Compensation* by chart of account code to payroll costs reported by chart of account code in 2010 and found one payroll variance that increased by more than five percent from the prior year's Schedules.

We obtained the Provider's explanation that the increase on *Schedule C-1, Administrator's Compensation* was due to salary increases, longevity and leave payouts.

We found no variances exceeding \$500 and 5% of non-payroll costs on any Schedule.

## Revenue

1. ODM requested us to compare all revenues on the Provider's Revenue Ledger with those revenues reported on *Attachment 1, Revenue Trial Balance* and report differences on *Attachment 1, Revenue Trial Balance* exceeding five percent of total revenues reported.

We compared all revenues on the Provider's Trial Balance, General Ledger and Department of Job and Family Services Remittance Advices with those revenues reported on *Attachment 1, Revenue Trial Balance* to determine if all revenues were reported in accordance with Ohio Admin. Code § 5101:3, CMS Publication 15-1, and the cost report instructions.

We found no differences exceeding five percent.

2. ODM requested we scan the Provider's Revenue Ledger to identify any revenue offsets/applicable credits exceeding \$500 which the Provider did not record on Attachment 2, Adjustments to Trial Balance or were not offset against expenses on Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center.

We scanned the Provider's Trial Balance, General Ledger and Department of Job and Family Services Remittance Advices for revenues on *Attachment 1, Revenue Trial Balance* and expenses on *Schedule B-1, Other Protected Costs, Schedule B-2, Direct Care Cost Center, Schedule C, Indirect Cost Care Center* to identify any revenue offsets or applicable credits which were not reported on *Attachment 2, Adjustments* to Trial Balance or Schedules B-1, B-2 or C to offset corresponding expenses in accordance with CMS Publication 15-1, Chapters 1, 6 and 8.

We did not identify any unrecorded revenue offsets or applicable credits exceeding \$500 on Attachment 2 or Schedules B-1, B-2 or C that would offset corresponding expenses.

## Assets, Liabilities and Owner's Equity

ODM requested us to perform procedures 1 through 6 below if the Provider was a for-profit provider and if *Schedule E-1, Return on Equity Capital of Proprietary Providers* reported equity above zero.

1. ODM requested we compare Assets and Liabilities on the *Schedule E, Balance Sheet* with the Provider's trial balance report and other supporting documentation for those accounts greater than five percent of total reported assets or liabilities and identify any unsupported, unallowable or improperly classified amount per Ohio Admin. Code § 5101:3, CMS Publication 15-1, or the cost report instructions.

We did not perform this procedure because the Provider indicated on Schedule A of the Cost Report that it is a non-profit provider.

2. ODM requested we determine if the Provider is on a proper accrual basis and if their accrual policies are applied consistently between periods as required by the cost report instructions and report any differences.

We did not perform this procedure because the Provider indicated on Schedule A of the Cost Report that it is a non-profit provider.

3. ODM requested we compare the Provider's ending account balance with beginning balance for all accounts on *Schedule E, Balance Sheet* and obtained an explanation for any account ending balance

with variances exceeding 25 percent or \$100,000 of the beginning balance and report any adjustments.

We did not perform this procedure because the Provider indicated on Schedule A of the Cost Report that it is a non-profit provider.

4. ODM requested we compare the savings account balance on the trial balance report to *Schedule E, Balance Sheet* to determine if total cash on hand from investments/savings exceeds three months of the Provider's total annual operating expenses as reported *Schedule A-3, Summary of Costs* and is not allowable equity as Invested Funds, pursuant to CMS Pub. 15-1, Section 1218.2 and report any differences.

We did not perform this procedure because the Provider indicated on Schedule A of the Cost Report that it is a non-profit provider.

5. ODM requested we compare reconciling items on the bank reconciliation report/schedule with the December 2011 bank statement and trial balance report and report any differences.

We did not perform this procedure because the Provider indicated on Schedule A of the Cost Report that it is a non-profit provider.

6. ODM requested we compare amounts reported on *Schedule E-1, Return on Equity Capital of Proprietary Providers* to supporting documentation to ensure net equity calculations for Capital, Due from Owners/Officers, Related Party Loans, Equity in Assets Leased from Related Parties, or Home Office Equity were in accordance with CMS Publication 15-1 and Ohio Admin. Code § 5101:3-3-01(BB) and report any differences.

We did not perform this procedure because the Provider indicated on Schedule A of the Cost Report that it is a non-profit provider.

We did not receive a response from officials to the exceptions noted above.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the Provider's Cost Report. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the managements of the Provider, the Ohio Department of Medicaid, the Department of Developmental Disabilities, and the Centers for Medicare and Medicaid Services and is not intended to be, and should not be used by anyone other than these specified parties.

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 30, 2013

cc: Jennifer Rousculp, Director, FF Mueller Residential Center - Yellow Unit  
Ravi Shankar, Comptroller, FF Mueller Residential Center - Yellow Unit  
Lisa Dunn, Board President, FF Mueller Residential Center - Yellow Unit

**Appendix A**  
**FF Mueller Residential Center - Yellow**  
**2011 Medicaid ICF-MR Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
<b>Schedule B-1 Other Protected Costs</b>				
7. Heat, Light, Power - 6020 - Other/Contract Wages (2)	\$ 2,746	\$ (126)	\$ 2,620	To revise expense based on in-patient days allocation method
18. Home Office Costs/Other Protected - 6095 - Other/Contract Wages (2)	\$ 47,489	\$ (1,884)	\$ 45,605	To revise home office costs based on in-patient days allocation method
<b>Schedule B-2 Direct Care Cost Center</b>				
5. Registered Nurse - 6120 - Other/Contract Wages (2)	\$ 7,458	\$ (140)	\$ 7,318	To revise expense based on in-patient days allocation method
22. Active Treatment Off-site Day Programming - 6215 - Other/Contract Wages (2)	\$ 189,451	\$ (19,140)	\$ 170,311	To revise active treatment costs based on actual expenses
24. Home office Costs/Direct Care - 6230 - Salary Facility Employed (1)	\$ 206,063	\$ (8,173)	\$ 197,890	To revise home office costs based on in-patient days allocation method
24. Home office Costs/Direct Care - 6230 - Other/Contract Wages (2)	\$ 120,750	\$ (4,789)	\$ 115,961	To revise home office costs based on in-patient days allocation method
33. Occupational Therapy Assistant - 6615 - Other/Contract Wages (2)	\$ 8,534	\$ (145)	\$ 8,389	To revise expense based on in-patient days allocation method
34. Speech Therapist - 6620 - Other/Contract Wages (2)	\$ 5,694	\$ (75)	\$ 5,619	To revise expense based on in-patient days allocation method
<b>Schedule C Indirect Care Cost Center</b>				
7. Food In-Facility - 7040 - Other/Contract Wages (2)	\$ 54,981	\$ (1,093)	\$ 53,888	To revise expense based on in-patient days allocation method
24. Program Supplies - 7125 - Other/Contract Wages (2)	\$ 3,642	\$ (1,171)	\$ 2,471	To capitalize, rather than expense, a freezer
48. Home Office Costs/Indirect Care - 7310 - Salary Facility Employed (1)	\$ 253,959	\$ (10,073)	\$ 243,886	To revise home office costs based on in-patient days allocation method
48. Home Office Costs/Indirect Care - 7310 - Other/Contract Wages (2)	\$ 191,338	\$ (7,589)	\$ 183,749	To revise home office costs based on in-patient days allocation method
50. Plant Operations/Maintenance Supervisor - 7320 - Other/Contract Wages (2)	\$ 5,684	\$ (5,684)	\$ -	To revise costs that were reported twice in error
<b>Schedule D Capital Cost Center</b>				
4. Depreciation - Equipment - 8040 - Total (3)	\$ 1,378	\$ 9	\$ 1,387	To report depreciation for freezer
10. Home Office Costs/Capital Cost - 8090 - Total (3)	\$ 11,954	\$ (475)	\$ 11,479	To revise home office costs based on in-patient days allocation method
		\$ (24)	\$ 11,455	To revise home office costs based on in-patient days allocation method

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# Dave Yost • Auditor of State

**FF MUELLER RESIDENTIAL CENTER – YELLOW ICF**

**CLARK 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  
JANUARY 2, 2014**