



OHIO AUDITOR OF STATE
KEITH FABER



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Medicaid Contract Audit
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Independent Accountants' Report on Applying Agreed-Upon Procedures

Ohio Department of Developmental Disabilities
30 East Broad Street
Columbus, Ohio 43215

We have performed the procedures enumerated below on the disbursements recorded in the County Board Cost Report System (Cost Report) of the Clearwater Council of Governments (COG) for the year ended December 31, 2019 and certain compliance requirements. The COG's management is responsible for the financial data in the Cost Report and compliance with applicable requirements.

The Ohio Department of Developmental Disabilities (Department) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluation the COG's financial data recorded in the Cost Report for the year ended December 31, 2019 and compliance with certain requirements. 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 procedures and the associated findings are as follows:

Trial Balance and Non-Payroll Expenditures

1. We compared the non-payroll disbursements on the General Ledger to the Revenue and Expense Crosswalk Worksheet and the Crosswalk to the *COG Reconciliation* form and the *COG Master and County Expenditures* forms. There were no variances.
2. We compared the total non-payroll disbursements on the Revenue and Expense Ledger and to the total disbursements on the *Summary of Expenditures* and to the DODD's Guide to Preparing Income and Expenditure Reports for use by COGs. There were no variances.
3. We selected 60 non-payroll disbursements from the service contracts and other expenses in cost categories that contribute to Medicaid rates. We compared the COG's supporting documentation and the cost classification to DODD's Guide to Preparing Cost Report for Council of Government and the County Boards (Cost Report Guides) and 2 CFR 200.420 - .475. There were non-federal reimbursable costs and other reclassifications over \$500 as reported in the Appendix.

Payroll Testing

1. We compared the payroll disbursements on the Salaries and Benefits reports the Payroll Allocation report and the Allocation report to the *COG Master and County Expenditures* forms. There were no variances exceeding two percent.
2. We scanned the Payroll Allocation report and compared the classification of employees to the *COG Master and County Expenditure* forms to the Cost Report Guides. We found allocations inconsistent with the Cost Report Guides as reported in Appendix.

Medicaid Administrative Claiming (MAC)

1. We compared the actual salaries and benefits for the Random Moment Time Study (RMTS) participants on the Salary, Benefit and Insurance reports for the second quarter to the MAC salaries and benefits submitted on the Cost by Individual Report. We verified that actual salaries and benefits exceeded MAC salary and benefit costs.
2. We requested supporting documentation for 11 RMTS observed moments selected by DODD for the second quarter and determined if the supporting documentation contained the participant's name, date and time of the moment and the activity performed. There was one moment which the documentation did not reflect the date and time of the observed moment.

We also compared the Medicaid rate that corresponds to the documented activity to the Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2019. There were no variances.

We were engaged by the Department to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the 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 COG's Cost Report and its compliance with certain requirements and regulations. 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.

We are required to be independent of the COG and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Department and the COG, 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 5, 2021

**Appendix
Clearwater Council of Governments
2019 COG Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
CLEARWATER COG				
Indirect Cost COG				
Service Contracts	\$ 38,094	\$ (4,466)		To reclassify MUI contract
		\$ (3,563)		To reclassify IA contract
		\$ (1,166)		To reclassify payment to Crawford CBDD
		\$ (570)		To reclassify benefit analysis costs
		\$ (570)	\$ 27,759	To reclassify benefit analysis costs
Medicaid Administrative Claiming COG				
Non-Federal Reimbursable				
Service Contracts	\$ -	\$ 4,466		To reclassify MUI contract
		\$ 3,563	\$ 8,029	To reclassify IA contract
COG Reconcile Expenses				
COG Reconcile Expenses Details				
Transfers to Crawford CBDD	\$ -	\$ 1,166	\$ 1,166	To reclassify payment to Crawford CBDD
Ashland County				
Direct Services COG Expenses				
Community Residential	\$ -	\$ 1,263	\$ 1,263	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 1,263	\$ (1,263)	\$ -	To reclassify QARN costs
Crawford County				
Direct Services COG Expenses				
Community Residential	\$ 52,843	\$ 2,273	\$ 55,116	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 2,273	\$ (2,273)	\$ -	To reclassify QARN costs
Erie County				
Direct Services COG Expenses				
Community Residential	\$ 25,469	\$ 4,547	\$ 30,016	To reclassify QARN costs
Family Support Services	\$ -	\$ 570		To reclassify benefit analysis costs
		\$ 285	\$ 855	To reclassify benefit analysis costs
Nursing Services COG Expenses				
Community Residential	\$ 4,547	\$ (4,547)	\$ -	To reclassify QARN costs
Hancock County				
Direct Services COG Expenses				
Community Residential	\$ 63,327	\$ 5,304	\$ 68,631	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 5,304	\$ (5,304)	\$ -	To reclassify QARN costs
Huron County				
Direct Services COG Expenses				
Community Residential	\$ 40,717	\$ 3,031	\$ 43,748	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 3,031	\$ (3,031)	\$ -	To reclassify QARN costs
Marion County				
Direct Services COG Expenses				
Community Residential	\$ 2,638	\$ 5,304	\$ 7,942	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 5,304	\$ (5,304)	\$ -	To reclassify QARN costs

**Appendix
Clearwater Council of Governments
2019 COG Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Morrow County				
Direct Services COG Expenses				
Community Residential	\$ 48,006	\$ 3,284	\$ 51,290	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 3,809	\$ (3,284)	\$ 525	To reclassify QARN costs
Ottawa County				
Direct Services COG Expenses				
Community Residential	\$ 36,021	\$ 8,083	\$ 44,104	To reclassify QARN costs
Nursing Services COG Expenses				
Community Residential	\$ 8,083	\$ (8,083)	\$ -	To reclassify QARN costs
Seneca County				
Direct Services COG Expenses				
Community Residential	\$ 9,654	\$ 2,778	\$ 12,432	To reclassify QARN costs
Family Support Services	\$ -	\$ 285	\$ 285	To reclassify benefit analysis costs
Nursing Services COG Expenses				
Community Residential	\$ 2,778	\$ (2,778)	\$ -	To reclassify QARN costs

OHIO AUDITOR OF STATE KEITH FABER



CLEARWATER COUNCIL OF GOVERNMENTS

OTTAWA 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 8/26/2021

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