



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

RE: Buckeye Community Services, Inc. DBA Hocking Valley Home
Ohio Medicaid Number 0508061

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Medicaid (ODM) and the Ohio Department of Developmental Disabilities (DODD), on the Medicaid ICF-IID Cost Report of Buckeye Community Services, Inc. DBA Hocking Valley Home (hereafter referred to as the Provider) for the period January 1, 2017 through December 31, 2017. The Provider's management is responsible for preparing the Medicaid ICF-IID Cost Report. The sufficiency of these procedures is solely the responsibility of ODM and DODD. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Unless otherwise specified, Buckeye Community Services, Inc. provided all reports used in the procedures and this report only describes exceptions exceeding \$500 and resulting in decreased costs.

Occupancy and Usage

1. We compared the number of Medicaid and non-Medicaid patient days from the Monthly Census Summary Report and Detailed Census Sheets to *Schedule A-1, Summary of Inpatient Days*. We reported a variance in Appendix A.
2. We selected five residents' medical records in December 2017 and compared total days of care per the medical records with the inpatient days reported on the Monthly Census Summary Report and Detailed Census Sheets and *Schedule A-1*. We found total patient days equaled days reported. We found that the Provider did not include any waiver respite days as Medicaid or Medicare days.
3. We compared the number of paid Medicaid days per the Quality Decision Support System (QDSS) with the total Medicaid days on *Schedule A-1*. We found that total paid days exceeded reported days by one day; however, after the adjustment in Procedure 1, final reported days equaled paid days.

Medicaid Paid Claims

1. We selected paid claims for five residents in the Occupancy and Usage procedure above for December 2017. We compared the paid days to the days documented per the resident's medical records. We found no variances.

Medicaid Paid Claims (Continued)

We also compared the documentation to the general requirements of CMS Publication 15-1, Chapter 23; Ohio Admin. Code § 5123:2-7-12; the specific requirements of Ohio Admin. Code § 5123:2-7-08 (C) to (I) as an occupied or bed hold day; and Ohio Admin. Code § 5123:2-7-15 for the payment adjustment requirements for resident's admission, discharge or death. We identified eight days in October 2017 identified as vacation days for one resident that were reported as authorized days as staff accompanied the resident during this period. We reclassified these days as therapeutic leave days as reported in Appendix A.

Recommendation:

We recommend the Provider consult with DODD on the correct reporting and documenting of resident vacation days and any applicable requirement for prior authorization.

Revenue

1. We compared the General Ledger and Trial Balance with *Attachment 1, Revenue Trial Balance* and the Appendix to Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1. We found no differences.
2. We scanned the General Ledger for any revenue offsets or applicable credits which were not reported 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* to offset corresponding expenses in accordance with CMS Publication 15-1, Chapters 1, 6, and 8. We did not identify any revenue offsets/applicable credits.

Non-Payroll Expenses

1. We compared all non-payroll expenses reported on *Schedule B-1, Schedule B-2 and Schedule C* to the General Ledger, Trial Balance, Home Office Allocation, Home Office Percentage Allocation, and Schedule I, Management reports. We found no variances.
2. We scanned the General Ledger and selected 20 non-payroll expenses that were reported on *Schedule B-1, Schedule B-2 and Schedule C*, inspected supporting documentation and compared the allocation and cost classification to Ohio Admin. Code § 5123:2-7, Cost Report Instructions for ICF-IID and CMS Publication 15-1. We found no variances exceeding \$500.
3. We scanned for any unreported contract costs which would require reporting on *Schedule C-3, Costs of Services from Related Parties*. We found no unreported contracts.
4. We compared the allocation methodology on the Home Office Allocation, Home Office Percentage Allocation, and Schedule I, Management reports to home office costs on *Schedule B-1, Schedule B-2 and Schedule C* to Ohio Admin. Code § 5123:2-7 and CMS Publication 15-1, Section 2150. We found no reclassifications or adjustments resulting in decreased costs exceeding five percent.
5. We compared the 2017 non-payroll costs reported on *Schedule B-1, Schedule B-2 and Schedule C* by chart of account code to similar reported costs in 2016. We obtained the following explanations for five non-payroll variances that increased by more than five percent and \$500:
 - Medical Supplies-Medicare Non-Billable costs increased on *Schedule B-1* due to increased care provided;
 - Heat, light and Power costs increased on *Schedule B-1* due to variable rates; and
 - Office and Administrative Supplies; Travel and Administrative Supplies; Dues, Subscriptions and Licenses costs increased on *Schedule C* due to costs being classified incorrectly.

Property

1. We compared the initial square footage and year of construction of the 30 North Culver Street facility from the Hocking County Real Estate records to *Attachment 9, Fair Rental Value Survey*. We found no variances.

We did not compare *Attachment 9, Log 1* to supporting documentation as the Provider did not report any additions or removals with any change in square footage.

2. We compared the project year and cost for five renovations from the Asset Depreciation Short report and invoices to *Attachment 9, Log 2: Renovations Projects Log*. We also compared the type and cost of renovation to the Cost Report Instructions for ICF-IID. We found no reportable variances.

3. We compared the square footage and year of construction of the home office building on *Attachment 9: Log 3: Secondary Buildings* to the Jackson County Auditor's Office property records. We found variances in the square footage and year of construction as reported in Appendix A.

We also compared the utilization percentage from the Home Office Allocation report to *Attachment 9* and the allocation methodology to the Cost Report Instructions for ICF-IID and CMS Publication 15-1. We found no variances.

4. We compared equipment depreciation and lease costs from *Schedule D, Analysis of Property, Plant, and Equipment* to the Asset Depreciation Short and Home Office Percentage Allocation reports. We also compared these costs to the Cost Report Instructions for ICF-IID and CMS Publication 15-1. We found no variances.

Payroll

1. We compared all salary, fringe benefits, payroll tax entries and hours worked reported on the General Ledger, Trial Balance, Home Office Allocation, and Home Office Percentage Allocation reports to the amounts reported on *Schedule B-2; Schedule C, Administrator's Compensation; and Schedule C-2, Owner's Relatives Compensation*. We found no variances.
2. We selected five employees reported on *Schedule B-2* and *Schedule C* and compared the job description, Employee Earning and Administrator's Compensation Payroll Hours reports to the schedule in which each employee's salary and fringe benefit expenses were reported. We confirmed the payroll costs were properly classified, allocated, and allowable in accordance with Ohio Admin. Code § 5123:2-7-12 and CMS Publication 15-1, Chapter 9 and Section 2150.
3. We compared the 2017 payroll costs reported on *Schedule B-1, Schedule B-2, Schedule C, Schedule C-1* and *Schedule C-2* by chart of account code to similar costs reported in 2016. We obtained explanation for the one payroll variance that increased by more than five percent and \$500.

Home Office Costs/Indirect Care costs increased on *Schedule C* due to an increase in the Home Office expenses.

This agreed-upon procedures engagement was conducted in accordance with the American Institute of Certified Public Accountants' attestation standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Medicaid ICF-IID Cost Report. 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.

Buckeye Community Services, Inc. DBA Hocking Valley Home
Independent Accountants' Report on
Applying Agreed-Upon Procedures

This report is intended solely for the information and use of the Provider, ODM and DODD, and is not intended to be, and should not be used by anyone other than the specified parties.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive style with a large, stylized 'K' and 'F'.

Keith Faber
Auditor of State
Columbus, Ohio

April 2, 2019

Appendix A
Buckeye Community Services, Inc. DBA Hocking Valley Home
2017 Medicaid ICF-IID Cost Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule A-1 Summary of Inpatient Days				
9. September - Authorized Days (2)	206	1	207	To report day of admission for resident.
10. October - Authorized Days (2)	233	(8)	225	To reclassify therapeutic leave days
10. October - Therapeutic Leave Days (4)	1	8	9	To reclassify therapeutic leave days
Fair Rental Value Log 3: Secondary Buildings				
1. Home Office/Record Storage Year of Construction	2008	(1)	2007	To agree to supporting documentation
1. Home Office/Record Storage Total Square Footage	7,616	(2,616)	5,000	To agree to supporting documentation
2. Home Office/Record Storage Year of Construction	-	2008	2008	To report 2008 improvement
2. Home Office/Record Storage Total Square Footage	-	560	560	To report square footage for improvement
2. Home Office/Record Storage Shared Space	-	Y	Y	To report the 2008 improvement
2. Home Office/Record Storage Utilization/Allocation Percentage	-	4.69%	4.69%	To agree to supporting documentation

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OHIO AUDITOR OF STATE KEITH FABER



BUCKEYE COMMUNITY SERVICES DBA HOCKING VALLEY HOME

HOCKING 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
APRIL 18, 2019**