



OHIO AUDITOR OF STATE
KEITH FABER



**ALLIANCE HEALTHCARE PARTNERS, LLC
FRANKLIN COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT HOME HEALTH AND WAIVER SERVICES

Ohio Department of Medicaid
50 West Town Street, Suite 400
Columbus, Ohio 43215

RE: Alliance Healthcare Partners LLC
Ohio Medicaid # 3090766

We have examined Alliance Healthcare Partners LLC's (hereafter referred to as Alliance or the Provider) compliance with specified Medicaid requirements for service documentation, service authorization and provider qualifications related to the provision of home health nursing and home health aide services and service documentation and provider qualifications related to the provision of personal care aide services during the period of July 1, 2014 through June 30, 2017.

The Provider entered into an agreement (the Provider Agreement) with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients and to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Management of Alliance Healthcare Partners, LLC is responsible for its compliance with the specified requirements. The accompanying Compliance Examination Report identifies the specific requirements examined. Our responsibility is to express an opinion on the Provider's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Provider complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Provider complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion. Our examination does not provide a legal determination on the Provider's compliance with the specified requirements.

Internal Control Over Compliance

The Provider is responsible for establishing and maintaining effective internal control over compliance with the Medicaid requirements. We did not perform any test of the internal controls and we did not rely on the internal controls in determining our examination procedures. Accordingly, we do not express an opinion on the effectiveness of the Provider's internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed material non-compliance with the requirements for practitioners rendering personal care aide services, service documentation for home health nursing and home health aide services and service authorization for home health nursing and home health aide services as detailed in the Compliance Examination report.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Provider has complied, in all material respects, with the aforementioned requirements pertaining to provider qualifications for home health nursing and aide services and service documentation for personal care aide services for the period of July 1, 2014 through June 30, 2017.

Our testing was limited to the specified Medicaid requirements detailed in the Compliance Examination Report. We did not test other requirements and, accordingly, we do not express an opinion on the Provider's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$14,645.21. This finding plus interest in the amount of \$1,436.63 (as of May 9, 2019) totaling \$16,081.84 is due and payable to the ODM upon its adjudication of this examination report. Services billed to and reimbursed by the ODM, which are not validated in the records, are subject to recoupment through the audit process. In addition, when the Auditor of State identifies waste or abuse by a provider in an examination,¹ any payment amount in excess of that legitimately due to the provider will be recouped by the ODM, the State Auditor, or the office of the Attorney General. Ohio Admin. Code § 5160-1-27 and 5160-1-29(B)

This report is intended solely for the information and use of the Provider, the ODM and other regulatory and oversight entities, 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

May 9, 2019

¹ "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)

COMPLIANCE EXAMINATION REPORT

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each State's Medicaid program. 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 prevention, diagnosis, evaluation or treatment of an adverse health condition. See Ohio Admin. Code § 5160-1-01(A) and (B)

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 from receipt of payment 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(D) and (E)

Ohio Medicaid recipients may be eligible to receive home health services, waiver services or both. According to Ohio Admin Code § 5160-12-01(E), the only provider of home health services is a Medicare certified home health agency (MCRHHA) that meets the requirements in accordance with Ohio Admin. Code § 5160-12-03. Waiver services can be provided by a MCRHHA, an otherwise-accredited home health agency or a non-agency nurse or personal care aide.

Provider number 3090766 was originally assigned to Lyons Home Health Care, LLC (Lyons), effective September 20, 2010. The current owners purchased Lyons in July, 2011 and amended the name of the limited liability company to Alliance Healthcare Partners LLC. In August, 2011 Alliance reported the name change to the ODM. Alliance continues to use the employer identification number (EIN) that was originally assigned to Lyons.

The Provider is a MCRHHA and received reimbursement of \$3,641,803 for 88,773 home health and personal care aide services, including the following:

- 52,543 home health aide services (procedure code G0156);
- 18,330 personal care services (procedure code T1019);
- 12,735 skilled nursing services (procedure code G0154);
- 2,262 licensed practical nurse (LPN) services (procedure codes G0300 and T1003);
- 1,827 registered nurse (RN) services (procedure codes G0299 and T1002);
- 429 private duty nursing services (procedure code T1000);
- 351 nurse assessment services (procedure code T1001);
- 186 physical therapy services (procedure code G0151);
- 59 occupational therapy services (procedure code G0152); and
- 11 speech therapy services (procedure code G0153).

The Provider had a second Ohio Medicaid number, 0114219. There were no payments made to this number during our examination period and it became inactive on November 19, 2014.

Purpose, Scope, and Methodology

The purpose of this examination was to determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. Please note that all rules and code sections relied upon in this report were those in effect during the examination period and may be different from those currently in effect.

Purpose, Scope, and Methodology (Continued)

The scope of the engagement was limited to home health and waiver services as specified below that the Provider billed with dates of service from July 1, 2014 through June 30, 2017 and received payment.

We received the Provider's claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. From the total paid services population, we extracted all home health aide services billed with the same date of service for two recipients who resided at the same address. This extraction resulted in 202 services (Exception Test – Two Recipients: Same Address, Service Date and Procedure Code).

From the remaining population of paid services, we extracted all home health nursing services (procedure codes G0154, G0299 and G0300). We calculated² an attribute sample with 20 percent (+/-10 percent) precision range. The calculated sample size is shown in **Table 1**.

We then extracted all home health aide services (procedure code G0156) and summarized them by recipient date of service (RDOS). A recipient date of service is defined as all services for a given recipient on a specific date of service. Next we extracted all personal care aide services (procedure code T1019) and summarized these services by RDOS.

We matched the home health aide RDOS against the personal care aide RDOS by recipient and service date and created the following files: RDOS in which only home health aide services were provided, RDOS in which only personal care aide services were provided, and RDOS in which both home health aide and personal care aide services were provided. We calculated attribute samples with 20 percent (+/-10 percent) precision range. The calculated sample sizes are shown in **Table 1**.

We used a statistical sampling approach to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1).

Table 1: Exception Test and Sample Sizes			
Universe	Population Size	Sample Size	Selected Services
Exception Test – Two Recipients: Same Address, Service Date and Procedure Code	202 services		202
Home Health Nursing Services (G0154, G0299 and G0300)	12,017 RDOS	100 RDOS	140
Home Health Aide Services (G0156)	27,268 RDOS	100 RDOS	179
Personal Care Aide Services (T1019)	9,552 RDOS	102 RDOS	161
Home Health Aide (G0156) and Personal Care Aide Services (T1019) on Same RDOS Sample	3,117 RDOS	100 RDOS	205
Total			887 Services

² We used the U.S. Department of Health and Human Services/Office of Inspector General's (HHS/OIG) RATSTATS statistical program to calculate sample sizes.

Purpose, Scope, and Methodology (Continued)

A notification letter was sent to the Provider setting forth the purpose and scope of the examination. During the entrance conference, the Provider described its documentation practices and process for submitting billing to the Ohio Medicaid program. During fieldwork we reviewed service documentation and personnel records. We sent preliminary results and subsequently the Provider submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

Results

While certain services had more than one error, only one finding was made per service. The non-compliance and basis for our findings is discussed below in more detail.

Exception Test – Two Recipients: Same Address, Service Date and Procedure Code

We examined 202 home health aide services associated with two recipients who resided at the same address, received the same service on the same date and none of the services were billed with the group visit (HQ) modifier. We found no instances of a group service rendered but billed as an individual service. We did find 50 errors that resulted in an improper payment of \$995.00.

Nursing Sample

We examined 140 home health nursing services and found 45 errors. The identified errors in 40 services resulted in an improper payment of \$1,851.08.

Home Health Aide Sample

We examined 179 home health aide services and found 87 errors. The identified errors in 78 services resulted in an improper payment of \$2,141.34.

Personal Care Aide Sample

We examined 161 personal care aide services and found 84 errors. The identified errors in 83 services resulted in an improper payment of \$5,475.43.

Home Health Aide and Personal Care Aide Services on Same RDOS Sample

We examined 205 services in which home health aide services and personal care aide services were billed on the same RDOS. The sample included 102 home health aide services and 103 personal care aide services. We found 92 errors and the identified errors in 87 services resulted in an improper payment of \$4,182.36.

A. Provider Qualifications

Nurses and Aides

Per Ohio Admin. Code § 5160-1-17.2, in signing the Medicaid provider agreement, the Provider agrees that the individual practitioner or employee of the company is not currently subject to sanction under Medicare, Medicaid, or Title XX; or, is otherwise prohibited from providing services to Medicaid beneficiaries. We compared the names of the nurses and aides that rendered services in the exception test and samples to the Office of Inspector General exclusion database and the Ohio Department of Medicaid exclusion or suspension list. We tested a total of 32 nurses and 78 aides and found no matches on an exclusion or suspension list.

A. Provider Qualifications (Continued)

Nursing Services Sample

According to Ohio Admin. Code § 5160-12-01(G), home health nursing requires the skills of and is performed by either an RN or a LPN at the direction of an RN.

We identified 12 RNs and 20 LPNs in the documentation of the selected services and verified via the Ohio e-License Center website that their professional licenses were current and valid on the first date of service in the sample and were active during the remainder of the examination period. We found one nurse who was not licensed. We contacted the State of Ohio Nursing Board and confirmed our finding.

We examined 140 services and found one service rendered by an individual who did not hold an Ohio nursing license on the date of service. This one error is included in the improper payment amount of \$1,851.08.

Exception Test – Two Recipients: Same Address, Service Date and Procedure Code

We did not examine additional provider qualifications for home health aides.

Home Health Aide Services Sample

We did not examine additional provider qualifications for home health aides.

Personal Care Aide Services Sample

In order to submit a claim for reimbursement, all individuals providing personal care aide services must obtain and maintain first aid certification from a class this is not solely internet-based and that includes hands-on training by a certified first aid instructor and a successful return demonstration of what was learned in the course. See Ohio Admin. Code §§ 5160-46-04(B), 5160-50-04(B) and 5123:2-9-56(C)

We reviewed personnel records for the 41 personal care aides identified in the documentation to determine if the aide had obtained and maintained the required first aid certification. We found that 12 aides completed on-line training only and 13 aides had a lapse in certification for a span of time.

Personal Care Aide Services Sample

We examined 161 services and found 78 services rendered by an aide who lacked first aid certification on the date of service. These 78 errors are included in the improper payment amount of \$5,475.43.

Home Health Aide and Personal Care Aide Services on Same RDOS Sample

We examined 103 personal care aide services and found 34 services rendered by an aide who lacked first aid certification on the date of service. These 34 errors are included in the improper payment amount of \$4,182.36.

Recommendation:

The Provider should improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

B. Service Documentation

The MCRHHA must maintain documentation of home health services that includes, but is not limited to, clinical and time keeping records that indicate the date and time span of the service and the type of service provided. See Ohio Admin. Code § 5160-12-03(C)(4)

Waiver service providers must maintain and retain all required documentation including, but not limited to, details of tasks performed or not performed, service start and end times and the dated signatures of the provider and the recipient or authorized representative. See Ohio Admin. Code §§ 5160-45-10 and 5123:2-9-56(E)

During part of the examination period, providers of home health nursing and aide services received a base rate for any portion of the first 60 minutes of home health services delivered. After July 1, 2015, providers were required to render 35 to 60 minutes of services to receive the base rate. Ohio Admin. Code § 5160-12-05

For errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units. For errors where there was no documented service duration, the improper payment is the difference between the amount paid and the reimbursement for the base rate.

We determined if service documentation was maintained, contained the in and out time of the covered service, a description of services rendered or included the tasks performed and if billed units were supported. For waiver services, we tested documentation for inclusion of the dated signatures of the rendering provider and recipient or their authorized representative.

Exception Test – Two Recipients: Same Address, Service Date and Procedure Code

We examined 202 services and found 14 services in which the billed units exceeded documented duration. These 14 errors are included in the improper payment of \$995.00.

Nursing Sample

We examined 140 services and identified 15 services in which there was no documentation to support the payment and one service in which the name of the rendering provider was not present on the documentation. These 16 errors are included in the improper payment of \$1,851.08.

In addition, we found two services in which the documentation did not include the arrival and/or departure time. These services were provided on a date prior to July 1, 2015 when the definition of a base rate changed. In each of these instances the Provider was paid the base rate; therefore, no improper payment was associated with these errors.

Home Health Aide Sample

We examined 179 services and found 10 services in which there was no documentation to support the payment and three services in which the billed units exceeded documented duration. These 13 errors are included in the improper payment of \$2,141.34.

B. Service Documentation (Continued)

Personal Care Aide Sample

We examined 161 services and found three services in which the billed units exceed documented duration, one service with overlapping time, and two services in which the documentation did not include a description of the service rendered. These six errors are included in the improper payment of \$5,475.43.

Home Health Aide and Personal Care Aide Services on Same RDOS Sample

We examined 205 services and found 10 services in which there was no documentation to support the payment and two services in which the billed units exceeded documented duration. These 12 errors are included in the improper payment of \$4,182.36.

Recommendation:

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

C. Authorization to Provide Services

Plans of Care

All home health providers are required by Ohio Admin. Code § 5160-12-03 to create a plan of care for recipients and the plan is required to be signed by the recipient's treating physician. Home health providers must obtain the completed, signed and dated plan of care prior to billing the ODM for the service.

Exception Test – Two Recipients: Same Address, Service Date and Procedure Code

We examined 202 services and found 36 services in which the plan of care was not signed prior to claim submission. These 36 errors are included in the improper payment of \$995.00.

Nursing Sample

We examined 140 services and identified the following errors:

- 20 services in which the plan of care was not signed prior to claim submission;
- 4 services in which there was no plan of care to cover the date of service; and
- 2 services in which the plan of care was not signed or dated by the physician.

These 26 errors are included in the improper payment amount of \$1,851.08.

Home Health Aide Sample

We examined 179 services and identified the following errors:

- 56 services in which the plan of care was not signed prior to claim submission;
- 12 services in which the plan of care was not signed or dated by the physician; and
- 6 services in which there was no plan of care to cover the date of service.

C. Authorization to Provide Services (Continued)

These 74 errors are included in the improper payment amount of \$2,141.34.

Home Health Aide and Personal Care Aide Services on Same RDOS Sample

We examined 102 home health aide services and identified the following errors:

- 36 services in which the plan of care was not signed prior to claim submission;
- 8 services in which the plan of care was not signed or dated by the physician;
- 1 service in which there was no plan of care to cover the date of service; and
- 1 service in which aide services were not authorized in the plan of care.

These 46 errors are included in the improper payment amount of \$4,182.36.

Personal Care Aide Sample

We did not test personal care aide services for service authorization.

Recommendation:

The Provider should establish a system to ensure the signed plans of care are obtained prior to submitting claim for services to the ODM. The Provider should address the identified issue to ensure compliance with Medicaid rules and avoid future findings.

D. Regulatory Requirements

Ohio Admin. Code § 5160-1-17.2 states that the provider agrees to inform the ODM within 30 days of any changes in ownership.

Although Alliance informed the ODM of the name change from Lyons to Alliance, it does not appear that Alliance reported the change in ownership which would have required application for a new Medicaid provider number.

Instructions for Form SS-4 (Application for Employer Identification Number), published by the Department of the Treasury's Internal Revenue Service, indicates that when an existing business is purchased the former owner's EIN should not be used³. The new owner should complete the application for a new number. After purchasing Lyons, Alliance continued to use the EIN originally assigned to Lyons.

Recommendation:

The Provider should review the Medicaid Provider Agreement and implement internal procedures to ensure that it complies with all of the requirements noted in the Medicaid Provider Agreement. The Provider should seek outside consultation to ensure its business practices meet all applicable regulatory requirements.

³ Exception exists for purchasing going business if a corporation's ownership changes through stock purchase. This was not applicable in the purchase of Lyons Home Health Care, a limited liability company.

Alliance Healthcare Partners, LLC
Independent Auditor's Report on
Compliance with Requirements of the Medicaid Program

Official Response

The Provider was afforded an opportunity to respond to this examination report. The Provider declined an exit conference to discuss the results of this examination and also declined to submit an official response to the results noted above.

OHIO AUDITOR OF STATE
KEITH FABER



ALLIANCE HEALTHCARE PARTNERS

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
MAY 28, 2019**