



OHIO AUDITOR OF STATE
KEITH FABER

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Medicaid Contract Audit
88 East Broad Street
Columbus, Ohio 43215
(614) 466-3340
ContactMCA@ohioauditor.gov

Independent Accountants' Report on Applying Agreed-Up Procedures

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

We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Medicaid (ODM) and the Ohio Department of Aging (ODA), on the Aging Administered Waiver Annual Cost Report (Cost Report) for the Council on Aging of Southwestern Ohio (hereafter referred to as the PAA), for the period July 1, 2016 through June 30, 2017. The PAA's management is responsible for preparing this fiscal year 2017 (FY 17) report. The sufficiency of these procedures is solely the responsibility of ODM and ODA. 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, the PAA provided all reports used in the procedures and this report only describes exceptions exceeding \$500.

Revenue

1. We compared the revenue on *Final Page A* to the Trial Balance and General Ledger. We found no variances.
2. We agreed the Liability Reconciliation, Waiver Liability AR Detail and Open Item reports to *Final Page A and C*. We found no variances.

Square Footage

1. We compared the floor plan to the General Distribution for Rent based on Square Footage report used for cost allocation to the Cost Report. We found no variances.

Trial Balance and Non-Payroll Expenses

1. We compared the disbursements on the General Ledger, Trial Balance and Reconciliation Worksheet to *Worksheet 1, Total Allowable Expenses by Line Item*. We found variances exceeding \$500 as reported in the Appendix.

We also compared total PASSPORT Information Management System (PIMS) costs to total *Worksheet 2, All Waiver Combined* costs. We found no variances exceeding one half percent of total PIMS costs.

2. We scanned the General Ledger and selected 60 disbursements from all cost pools. We compared supporting documentation and classification of the disbursement to the Three Party Agreement, Cost Report Instructions and 2 CFR part 200. We identified an error as reported in the Appendix. For the identified error, we scanned the corresponding voucher and found no additional similar errors or misclassifications.

Trial Balance and Non-Payroll Expenses (Continued)

3. We compared the allocation methodology applied on *Worksheet 1* for each waiver to the approved methodologies in the Cost Report Instructions. We found no differences.

Property

1. We compared the capital costs on *Worksheet 1* to the Reconciliation Worksheet, Trial Balance and General Ledger. We found no variances.
2. We compared the final FY 17 Depreciation Schedule to the FY 16 Depreciation Schedule for changes in the depreciation amounts for assets purchased prior to FY 17, depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years or depreciation which was not in compliance with the Cost Report Instructions. We found no variances exceeding \$500.
3. We selected 10 percent of the fixed assets which meet the PAA's capitalization threshold and were being depreciated in the first year in FY 17. We recalculated the first year's depreciation for the one asset selected based on the Cost Report Instructions and useful life prescribed in the 2013 American Hospital Association Asset Guide. We compared the recalculated depreciation to the reported depreciation. We found no variances exceeding \$500.
4. We selected one disposed asset from the 2017 Disposal Gain/Loss Report and confirmed the asset was removed from the Depreciation Schedule. We found no gain or loss reported on *Worksheet 1*.
5. We scanned the General Ledger for items purchased during the FY 17 that met the capitalization threshold and the procurement requirements and traced them to the Depreciation Schedule. We found no variances exceeding \$500.

Payroll

1. We compared total salaries and benefits on *Worksheet 1* for each waiver to the General Ledger, Trial Balance and Reconciliation Worksheet. We found no variances.
2. We selected 20 employees and compared the hours for each cost center on the December Month Covered by Report to the organization chart and Hours per Pay Period and the Wages from Payroll Journal reports and compared these payroll reports to the General Ledger. We then traced from the General Ledger to the Trial Balance and then to the Reconciliation Worksheet and finally to *Worksheet 1*. We also compared the reported salaries and benefits to the Cost Reports Instructions and 2 CFR part 200 to confirm costs were properly allocated, classified and allowable. We found no variances.

Contract Monitoring

1. We obtained the PAA's written procedures for all provider oversight processes during the cost report period. We selected providers for each type of provider oversight, including all three pre-certification reviews, five structural compliance reviews, the one expansion review and five desk reviews to determine if the PAA maintained supporting documentation showing it performed provider oversight processes in accordance with Section II (A)(3)(b)(i)-(ii) in the Three Party Agreement and its written procedure requirements. We found no exceptions.

Council on Aging of Southwestern Ohio
Independent Accountants' Report on
Applying Agreed-Upon Procedures

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 Aging Administered Waiver Annual 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.

This report is intended solely for the information and use of the PAA, the ODM and the ODA, 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, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

December 18, 2019

SUMMARY OF COST AND EXPENSE ADJUSTMENTS (Corrections)

PROGRAM PASSPORT

COST REPORT									
Finding Number	Worksheet	Line	Account	Cost Center	Type of Finding	Specific Compliance Citation	Reported Costs	Adjustment	Adjusted Cost
1	1	10	Building Services	Case Management	Misclassification	Cost Report Instructions	\$0.00	\$890.21	\$890.21
2	1	9	Insurance	Case Management	Misclassification	Cost Report Instructions	\$44,122.00	(\$44,122.00)	\$0.00
2	1	10	Capital Costs	Case Management	Misclassification	Cost Report Instructions	\$19,698.26	\$44,122.00	
3	1	10	Capital Costs	Case Management	Misclassification	Cost Report Instructions		(\$19,698.26)	\$44,122.00
3	1	11	Other Expenses	Case Management	Misclassification	Cost Report Instructions	\$0.00	\$19,698.26	
1	1	11	Other Expenses	Case Management	Misclassification	Cost Report Instructions		(\$890.21)	\$18,808.05
Total Effect on Cost Report									(\$0.00)

OHIO AUDITOR OF STATE KEITH FABER



COUNCIL AGING SOUTHWESTERN OHIO

HAMILTON 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
DECEMBER 31, 2019**