



OHIO AUDITOR OF STATE
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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

We have performed the procedures enumerated below on the St. Joseph Infant and Maternity Home dba St. Joseph Home of Cincinnati's Medicaid Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID) Cost Report and Medicaid payments for the year ended December 31, 2022, and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the management of the ICF-IID. The ICF-IID is responsible for the Cost Report for the year ended December 31, 2022, and certain compliance requirements related to the Cost Report and Medicaid services included in the information provided to us by the ICF-IID.

The Ohio Department of Medicaid and the Ohio Department of Developmental Disabilities have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the ICF-IID's Cost Report for the year ended December 31, 2022, and certain compliance requirements related to the Cost Report and Medicaid services. No other party acknowledged the appropriateness of the procedures. 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 the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. 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.

The procedures and the associated findings are as follows:

Census Data and Medicaid Paid Claims

1. We footed the Daily Census reports for each month of CY 2022. There were no computational errors. We compared the total of inpatient and leave days from the census reports to *Schedule A-1, Summary of Inpatient Days*. There were no omitted days.
2. We selected five residents from the Daily Census reports and included residents with leave days in the selection. We obtained the medical records for the selected individuals for one month. We confirmed the ICF-IID maintained service documentation for each selected date as required by Ohio Admin. Code §§ 5123-7-12(H) and 5123-3-04(J). We found no omitted days.

For any reimbursed leave days, we obtained the remaining Daily Census reports for CY 2022 and any prior authorization documentation. We totaled the leave days per resident and, for any days over 30, we confirmed that the days were prior authorized as required by Ohio Admin. Code § 5123-7-08(E). We found no unauthorized days.

3. We compared the number of reimbursed Medicaid days with the total Medicaid days reported on *Schedule A-1*. We found that reported days equaled net Medicaid reimbursed days.

Revenue

1. We agreed the revenue reported on the ICF Revenue and Interest Income Detail reports to the Income Statement by Program and Location and from the Income Statement to *Attachment 1, Revenue Trial Balance* and with the chart of account classifications in the Appendix to Ohio Admin. Code § 5123-7-12. There were no variances.
2. We scanned the description in the ICF Expense and Overhead Departments Expense Detail reports for any discounts, allowances or refunds or rebates and compared these entries to the chart of account codes 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*. We found no unreported offsets.

Non-Payroll Expenses

1. We compared all non-payroll expenses from the ICF Expense and Overhead Departments Expense Detail reports to the Income Statement and from the Income Statement and Cost Report Workbook to *Schedule B-1, B-2 and C*. We found no variances.
2. We scanned the ICF Detailed and Overhead Departments Expense Detailed reports for potentially unallowable or improperly allocated costs and costs with no business purpose associated with the ICF-IID per CMS Publication 15-1, § 2102 to 2139 and § 2302.4. We selected 30 non-payroll expenses and 10 overhead expenses from *Schedules B-1, B-2 and C* including one contract personnel/position vouchers and obtained the invoice and/or contract for each expense, and, if the purpose of the expense was unclear, we inquired with the ICF-IID. The error rate in our initial sample exceeded 25%; therefore, we selected an additional 20 non-payroll expenses. Using this documentation, we performed the following procedures on each expense:
 - We confirmed that the documentation for the full cost was maintained as required by Ohio Admin. Code § 5123-7-12(H). We found variances resulting in decreased costs as reported in the Appendix.
 - We footed the invoice/documentation for accuracy. We found no computational differences. We compared the invoice rate to the contracted rate and found no variance within the rates.
 - We compared the documentation for each expense to the unallowable categories listed in CMS Publication 15-1, § 2102 to 2139. We found non-reimbursable costs as reported in the Appendix. For these errors, we scanned the Expense Detailed reports for other like errors in the same cost center and found no additional similar errors or misclassifications.
 - We compared the documented type of non-payroll expense to the schedule and chart of account classification reported on the Cost Report and to the chart of account classifications in the Appendix to Ohio Admin. Code § 5123-7-12 and the Instructions for completing the Ohio Department of Developmental Disabilities calendar year cost report for Intermediate Care Facilities for Individuals with Intellectual Disabilities Cost Report (Cost Report Instructions). We found variances between schedules exceeding \$500 as reported in the Appendix. For these errors, we scanned the Expense Detailed reports for other like errors in the same cost center and found none.
 - We documented the name and type of expense and inquired with ICF-IID to confirm that the business purpose of the expense benefitted the ICF-IID in accordance with CMS Publication 15-1 § 2302.4. We found costs that did not benefit the ICF-IID as reported in the Appendix. For these errors, we scanned the Expense Detailed reports for other like errors in the same cost center and found none.

Non-Payroll Expenses (Continued)

- We compared the cost and type of expense on the documentation to Ohio Admin. Code § 5123-7-18 and the ICF's Depreciation/ Capitalization Policy and confirmed that the expenses were not capital assets.
- We compared the cost methodology and allocation statistics for each expense to the allowable methods per CMS Publication 15-1 § 2302.8. We found no variances resulting in decreased costs. We confirmed each amount was expensed during 2022 and used the proper accounting basis in accordance with the Cost Report instructions.

Payroll

1. We compared all salary and fringe benefits on the Income Statement to *Schedules B-1, B-2, and C*. We found no variances.

We also compared hours and percentage of time worked and salaries from the Cost Report 2022 Workbook to *Schedule C-1, Administrator's Compensation*. There were variances resulting in decreased hours and percent of time worked as reported in the Appendix.

2. We obtained the Employee Roster, Income Statement Detail and Job Codes reports and selected five employees reported on *Schedules B-1, B-2, C* and the employee reported on *Schedule C-1* and if the programs which benefit from the employees' work is unclear, we inquired with the ICF-IID. We performed the following procedures on each selected employee:
 - We compared the salary and benefit costs on the Income Statement Detail and Job Codes reports to the Income Statement and Cost Report Workbook and from the Income Statement and Cost Report Workbook to the Cost Report and confirmed documentation for the full cost was maintained as required by Ohio Admin. Code § 5123-7-12(H).
 - We compared the job description for each employee to the unallowable categories listed in CMS Publication 15-1, § 2102 to 2139 and confirmed the employee salary and benefit costs benefitted the Medicaid program in accordance with CMS Publication 15-1 § 2302.4. We found no non-reimbursable costs.
 - We compared the employee job description, organizational chart and salary and benefit costs on Income Statement Detail and Job Codes reports to the Income Statement and Cost Report Workbook and to the schedule and account classification reported on the Cost Report and to the chart of account classification in the Appendix to Ohio Admin. Code § 5123-7-12 and to the Cost Report instructions. We found no variances.
 - We compared the cost methodology and allocation statistics for each employees' salary and benefit costs to the allowable methods per CMS Publication 15-1 § 2302.8 and determined if employees' salary and benefit costs were expensed during 2022 and used the proper accounting basis in accordance with the Cost Report instructions. We found no variances.

Property

1. We compared the initial square footage and year of construction of the 10722 Wycarver Road facility from the Hamilton County Auditor's Property records, History of St Joseph memo, Square Footage Summary, and the Campus and Building Cornerstone photos to *Attachment 9, Fair Rental Value Survey*. There were variances in the year of construction as reported in the Appendix.

Property (Continued)

We selected one addition and compared the square footage, type and the year from the Square Footage Summary, History of St Joseph memo, and 1966 Campus photo to *Attachment 9, Log 1: Additions and Removals* and the Cost Report Instructions for ICF-IID and Ohio Admin. Code § 5123-7-12. We found the addition was duplicate square footage already reported under initial square footage and removed the square footage as reported in the Appendix.

2. We compared the project year, type and cost for five recent renovations from the invoices or other supporting documentation to *Attachment 9, Log 2: Renovations Projects*. We also compared the type and cost of the renovation to the Cost Report Instructions. There were no year or type variances. There was a variance for a decrease in costs as reported in the Appendix.
3. We compared equipment depreciation from the Depreciation General Fund report to *Schedule D, Capital Cost Center* and the Cost Report Instructions. There were no variances that resulted in decreased costs.
4. We scanned the Depreciation report and ICF Detailed and Overhead Departments Expense Detailed reports to identify any reported loss on *Schedule D* not in accordance with CMS Publication 15-1, § 104.10(E). We found no reported loss.
5. We selected one capital asset from account 8040 which was being depreciated in the first year. We recalculated the first year's depreciation for the asset selected, based on the Cost Report instructions and useful lives prescribed in the 2018 American Hospital Association (AHA) Asset Guide and Appendix A of Ohio Admin. Code § 5123:2-7-18. We compared the recalculated depreciation to the reported depreciation and found a variance as reported in the Appendix.

We were engaged by the Ohio Department of Medicaid to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the American Institute of Certified Public Accountants (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 ICF-IID's Cost Report and compliance with certain laws and regulations. Accordingly, we do not express 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 ICF-IID and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our agreed upon procedures engagement.



Keith Faber
Auditor of State
Columbus, Ohio

February 27, 2024

Appendix

**St. Joseph Infant and Maternity Home dba St. Joseph Home of Cincinnati
Medicaid ICF-IID Cost Report Adjustments**

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1 Other Protected Costs				
5. Medical Minor Equipment: Medicare Non-Billable - 6006 - Other/Contract Wages (2)	\$ 38	\$ 1,025	\$ 1,063	To reclassify leg support as minor medical equipment
Schedule B-2 Direct Care Cost Center				
27. Registered Nurse, Purchased Nursing - 6300 - Other/Contract Wages (2)	\$ -	\$ 504		To correct Purchased RN expenses
		\$ 1,040	\$ 1,544	To reclassify RN expenses
28. Licensed Practical Nurse, Purchased Nursing - 6310 - Other/Contract Wages (2)	\$ -	\$ 822	\$ 822	To correct Purchased LPN expenses
Schedule C Indirect Care Cost Center				
7. Food in Facility - 7040 -Other/Wages (2)	\$ 67,987	\$ (371)	\$ 67,616	To reclassify employee appreciation expenses to non-reimbursable
8. Employee Meals - 7045 - Other/Contract Wages (2)	\$ 7,372	\$ (250)		To reclassify unsupported tip expense
		\$ (573)	\$ 6,549	To reclassify expenses without supporting documentation.
19. Habilitation Supplies - 7100 - Other/Contract Wages (2)	\$ 15,050	\$ (1,025)	\$ 14,025	To reclassify leg support as minor medical equipment
24. Program Supplies - 7125 - Other/Contract Wages (2)	\$ 3,779	\$ (302)	\$ 3,477	To reclassify expenses without supporting documentation.
28. Consulting and Management Fees - Indirect - 7215 - Other/Contract Wages (2)	\$ 144,472	\$ (1,326)		To correct LPN and RN expenses
		\$ (1,040)	\$ 142,106	To reclassify RN expenses
32. Travel and Entertainment - 7235 - Other/Contract Wages (2)	\$ 43,546	\$ (125)	\$ 43,421	To reclassify expenses without supporting documentation.
35. Housekeeping - 7245 - Other/Contract Wages (2)	\$ 47,474	\$ (72)	\$ 47,402	To reclassify expenses without supporting documentation.
40. Dues, Subscriptions and Licenses - 7270 - Other/Contract Wages (2)	\$ 68,297	\$ (250)	\$ 68,047	To reclassify unsupported amount
68. Other Non-Reimbursable - Specify Below - 9725 - Other/Contract Wages (2)	\$ -	\$ 250		To reclassify unsupported amount
		\$ 371		To reclassify employee appreciation expenses to non-reimbursable

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	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule C Indirect Care Cost Center, Continued				
68. Other Non-Reimbursable - Specify Below - 9725 - Other/Contract Wages (2)	\$	72		To reclassify expenses without supporting documentation.
	\$	302		To reclassify expenses without supporting documentation.
	\$	125		To reclassify expenses without supporting documentation.
	\$	250		To reclassify unsupported tip expense
	\$	573	\$ 1,943	To reclassify expenses without supporting documentation.
Schedule C-1, Administrators Compensation Section B				
Paid Weekly Hours	40	(7.62)	32.38	To correct Administrators Compensation Paid Weekly Hours
Paid Weekly Percentage	100	(19.05)	80.95	To correct Administrators Compensation Paid Weekly Percentage
Schedule D, Capital Cost Center Assets Acquired				
4. Depreciation - Equipment 8040 (3) Total	\$ 114,032	\$ (238)	\$ 113,794	To correct for depreciation taken in the month of acquisition
Attachment 9, Fair Rental Value Survey Initial Construction				
Year of Initial Construction	1968	1966	2	To correct initial year of construction
Fair Rental Value Log 1: Additions and Removals Project Description				
1. Addition of Cottages and Beds	71,324	(71,324)	-	To remove duplicated square footage already included in initial construction

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	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Attachment 9, Fair Rental Value Survey				
Fair Rental Value Log 2: Renovations Projects Log				
Project Description				
54. New family gathering room and team managers offices - Project Costs	\$ 51,414	\$ (3,633)	\$ 47,781	To remove unsupported renovation project costs

OHIO AUDITOR OF STATE KEITH FABER



**ST. JOSEPH INFANT AND MATERNITY HOME DBA ST. JOSEPH HOME OF CINCINNATI
HAMILTON 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 3/21/2024

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