



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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

## **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: New Generation Health Services, LLC  
Ohio Medicaid Number: 0106725

National Provider Identifier: 1316282726

We examined compliance with specified Medicaid requirements for provider qualifications, service documentation and service authorization related to the provision of select home health and waiver services during the period of January 1, 2020 through December 31, 2022 for New Generation Health Services, LLC (New Generation). We tested the following services:

- All potential duplicate services<sup>1</sup>;
- All recipient dates of service (RDOS)<sup>2</sup> in which more than 24 hours of service was reimbursed;
- A sample of personal care aide services and all additional aide services on the same RDOS as the sampled payments; and
- A sample of home health aide services and all additional aide services on the same RDOS as the sampled payments.

New Generation entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Ohio Revised Code, Ohio Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Management of New Generation is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined. Our responsibility is to express an opinion on New Generation'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 (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether New Generation complied, in all material respects, with the specified requirements referenced above. We are required to be independent of New Generation and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

An examination involves performing procedures to obtain evidence about whether New Generation 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 modified opinion. Our examination does not provide a legal determination on New Generation's compliance with the specified requirements.

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<sup>1</sup> A duplicate service is defined as services with the same recipient, service date, procedure code, modifiers, and units.

<sup>2</sup> An RDOS is defined as all services for a given recipient on a specific date of service.

**Internal Control over Compliance**

New Generation 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 New Generation's internal control over compliance.

**Basis for Adverse Opinion**

Our examination disclosed material non-compliance with the following:

- New Generation lacked documentation to support the services examined;
- New Generation billed for personal care aide services rendered by aides who did not meet the first aid certification requirement;
- New Generation lacked plans of care or the plans of care were not signed by a physician for the sampled state plan home health aide services;
- New Generation billed one continuous shift as two separate services for the services examined; and
- New Generation did not have documentation containing the required time span or the units billed exceeded the documented duration for the services billed that exceeded 24 hours of service in a day.

**Adverse Opinion on Compliance**

In our opinion, New Generation has not complied, in all material respects, with the select requirements of the select home health and waiver services for the period of January 1, 2020 through December 31, 2022. Our testing was limited to the specified Medicaid requirements detailed in the Compliance Section. We did not test other requirements and, accordingly, we do not express an opinion on New Generation's compliance with other requirements.

We identified improper Medicaid payments in the amount of \$8,612.67. This finding plus interest in the amount of \$1,237.04 (calculated as of February 19, 2025) totaling \$9,849.71 is due and payable to the Department upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process per Ohio Admin. Code 5160-1-27. If waste and abuse are suspected or apparent, the Department and/or the Office of the Attorney General will take action to gain compliance and recoup inappropriate or excess payments in accordance with Ohio Admin. Code 5160-1-29(B).<sup>3</sup> This report is intended solely for the information and use of New Generation, the Department and other regulatory and oversight bodies, 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

March 12, 2025

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<sup>3</sup> "Waste" means any preventable act such as inappropriate utilization of services or misuse of resources that results in unnecessary expenditures to the Medicaid program. "Abuse" means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. Ohio Admin. Code 5160-1-29(A) and 42 C.F.R. § 455.2.

**COMPLIANCE SECTION**

**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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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. Per Ohio Admin. Code 5160-1-17.2(D) and (E), providers must furnish such records for audit and review purposes.

New Generation is a Medicare certified home health agency (MCHHA) with one location in Reynoldsburg, Ohio. New Generation received payment of approximately \$8.5 million under the provider number examined for over 131,000 home health and waiver services.

**Table 1** contains the procedure codes selected for this compliance examination.

<b>Table 1: Home Health and Waiver Services</b>	
<b>Procedure Code</b>	<b>Description</b>
DD244	Waiver Homemaker Personal Care, 15 minutes
G0156	State Plan Home Health Aide, 15 minutes
G0299	State Plan Home Health Nursing – Registered Nurse, 15 minutes
G0300	State Plan Home Health Nursing – Licensed Practical Nurse, 15 minutes
MR940	Waiver Homemaker Personal Care, 15 minutes
MR951	Waiver Homemaker Personal Care, 15 minutes
MR970	Waiver Homemaker Personal Care, 15 minutes
PT624	Waiver Personal Care, 15 minutes
T1000	State Plan Private Duty Nursing, 15 minutes
T1019	Waiver Personal Care Aide, 15 minutes

Source: Appendix to Ohio Admin. Code 5160-12-06, 5160-46-06, 5160-12-05, 5160-1-06.1, 5123-9-30 and 5123-9-32

**Purpose, Scope, and Methodology**

The purpose of this examination was to determine whether New Generation's claims for payment 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.

The scope of the engagement was limited to select home health and waiver services, as specified below, for which New Generation billed with dates of service from January 1, 2020 through December 31, 2022 and received payment.

We obtained New Generation's fee for service claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We removed all services paid at zero, Medicare crossover claims and services that were recouped. The scope of our examination included testing procedures related to the select services as identified in the Independent Auditor's report.

The exception tests and calculated sample sizes are shown in **Table 2**.

**Purpose, Scope, and Methodology (Continued)**

<b>Table 2: Exception Tests and Samples</b>			
<b>Universe</b>	<b>Population Size</b>	<b>Sample Size</b>	<b>Selected Payments</b>
<b>Exception Tests</b>			
Potential Duplicate Services (T1019)			24
RDOS with 24 Hours or More <sup>1</sup>			30
<b>Samples</b>			
Personal Care Aide Services (T1019)	11,591 RDOS	80 RDOS	129
Additional Aide Service on Same RDOS (G0156)			<u>1</u>
Total Aide Services			130
Home Health Aide Services (G0156)	19,070 RDOS	80 RDOS	103
Other Aide Services on Same RDOS <sup>2</sup>			<u>39</u>
Total Aide Services			142
<b>Total</b>			<b>326</b>

<sup>1</sup> The examined services include procedure codes G0156, G0299, G0300, MR940, MR951, PT624, T1000 and T1019.

<sup>2</sup> The examined services include procedure codes DD244, MR940, MR970, PT624 and T1019.

A notification letter was sent to New Generation setting forth the purpose and scope of the examination. During the entrance conference, New Generation described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic health record system used, reviewed service documentation and verified first aid certification. We sent preliminary results to New Generation and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

**Results**

The summary results are shown in **Table 3**. While certain services had more than one error, only one finding was made per service. The non-compliance and basis for findings is discussed below in further detail.

<b>Table 3: Results</b>				
<b>Universe</b>	<b>Payments Examined</b>	<b>Non-compliant Services</b>	<b>Non-compliance Errors</b>	<b>Improper Payment</b>
<b>Exception Tests</b>				
Potential Duplicate Services	24	11	11	\$360.88
RDOS with 24 Hours or More	30	21	21	\$2,907.12
<b>Samples</b>				
Personal Care Aide Services	129	64	71	\$3,396.88
Additional Aide Service on Same RDOS	<u>1</u>	<u>1</u>	<u>1</u>	<u>\$39.25</u>
Total Aide Services	130	65	72	\$3,436.13
Home Health Aide Services	103	30	42	\$1,561.82
Additional Aide Services on Same RDOS	<u>39</u>	<u>8</u>	<u>8</u>	<u>\$346.72</u>
Total Aide Services	142	38	50	\$1,908.54
<b>Total</b>	<b>326</b>	<b>135</b>	<b>154</b>	<b>\$8,612.67</b>

**A. Provider Qualifications**

*Exclusion or Suspension List*

Per Ohio Admin. Code 5160-1-17.2(H), in signing the Medicaid provider agreement, a 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 identified 60 practitioners in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We also compared the identified owner and administrative staff names to the same database and exclusion/suspension list. We found no matches.

*Personal Care Aide Services*

Per Ohio Admin. Code 5160-46-04(A)(7)(a)(ii), a MCHHA shall ensure that personal care aides obtain and maintain first aid certification prior to commencing service delivery. We obtained first aid certificates from New Generation for the 30 personal care aides identified in the service documentation for the selected services. There were 15 personal care aides that were not first aid certified on the selected date or service or had a lapse in certification.

*Personal Care Aide Services Sample*

The 129 services examined contained 29 services rendered by aides who did not meet the first aid certification requirement. These 29 errors are included in the improper payment of \$3,396.88.

**Recommendation**

New Generation should review the Ohio Medicaid rules and improve its internal controls to ensure all personnel meet applicable requirements prior to rendering direct care services. New Generation should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

**B. Service Documentation**

Per Ohio Admin. Code 5160-12-03(B)(9), the MCHHA 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.

For waiver homemaker and personal care services, the provider must maintain and retain all required documentation including, but not limited to, documentation of tasks performed or not performed, arrival and departure times and the signatures of the provider verifying the service delivery upon completion of service delivery in accordance with Ohio Admin. Code 5160-31-05(B), 173-39-02.11(C)(6)(b), 5160-46-04(A), 5160-40-01(F), 5160-42-01(K), 5123-9-32(E), and 5123-9-30(E).

We obtained documentation from New Generation and compared it to the required elements. We also compared units billed to documented duration, services by recipient, and rendering practitioner to identify any overlapping services. In addition, for errors where the number of units billed exceeded the documented duration, the improper payment was based on the unsupported units. Furthermore, for errors where one continuous shift was billed as two separate services, the improper payment was based on the difference in the base rate and the unit rate.

**B. Service Documentation (Continued)**

*Potential Duplicate Services Exception Test*

The 24 payments examined consisted of 12 instances in which two payments were made on behalf of the same recipient for the same service on the same day containing the same modifiers and units. There was one instance in which the documentation supported two distinct services. There were six instances in which a duplicate service was billed and five instances in which one continuous shift was billed as two separate services. These 11 errors resulted in an improper payment amount of \$360.88.

*RDOS with 24 Hours or More Exception Test*

The 30 services examined consisted of 10 service dates in which more than 24 hours of service for a recipient were reimbursed. These 30 services contained the following errors:

- Eight instances in which there was no service documentation to support the service;
- Eight instances in which the documentation did not include the time span; and
- Five instances in which the units billed exceeded the documented duration.

These 21 errors resulted in the improper payment amount of \$2,907.12.

*Personal Care Aide Services Sample*

The 129 sampled services examined contained the following errors:

- 25 instances in which one continuous shift was billed as two separate services;
- 14 instances in which there was no service documentation to support the service; and
- Three instances in which the units billed exceeded documented duration.

These 42 errors are included in the improper payment of \$3,396.88.

The one additional aide service examined had no service documentation to support the service. This error resulted in the improper payment amount of \$39.25.

*Home Health Aide Services Sample*

The 103 sampled services examined contained the following errors:

- 19 instances in which there was no service documentation to support the service;
- Six instances in which one continuous shift was billed as two separate services; and
- One instance in which the units billed exceeded the documented duration.

These 26 errors are included in the improper payment of \$1,561.82.

The 39 additional aide services examined contained seven instances in which there was no service documentation to support the service and one instance in which the units billed exceeded the documentation duration. These eight errors resulted in the improper payment amount of \$346.72.



**B. Service Documentation (Continued)**

**Recommendation**

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

**C. Authorization to Provide Services**

All home health providers are required by the Ohio Admin. Code 5160-12-03(B)(3)(b)<sup>4</sup> to create a plan of care for state plan recipients indicating the type of services to be provided to the recipient.

We obtained plans of care from New Generation and confirmed if there was a plan of care that covered the selected date of service, authorized the type of service, and was signed by a physician. We limited our testing of service authorization to the sampled state plan home health aide services.

*Home Health Aide Services Sample*

The 103 sampled services examined contained 10 instances in which the plan of care was not signed by the physician and six instances in which there was no plan of care to authorize the service. These 16 errors are included in the improper payment of \$1,561.82.

**Recommendation**

New Generation should develop and implement controls to ensure all services billed are authorized by a signed plan of care prior to submitting claims for service to the Department. New Generation should address the identified issue to ensure compliance with the Medicaid rules and avoid future findings.

**Official Response**

New Generation declined to submit an official response to the results noted above.

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<sup>4</sup> This rule refers to the Medicare Benefit Policy Manual which requires that the plan of care be signed by the recipient's treating physician.

# OHIO AUDITOR OF STATE KEITH FABER



**NEW GENERATION HEALTH SERVICES, LLC**

**FRANKLIN 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 3/27/2025**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

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[www.ohioauditor.gov](http://www.ohioauditor.gov)