



December 24, 2013

Mr. Davis Menya
Samaritans-At-Last, LLC
1055 Westlakes Drive, Suite 300
Berwyn, Pennsylvania 19312

Dear Mr. Menya:

I am enclosing for your review the final audit report for Samaritans-At-Last, LLC which was prepared by the Division of Audit and Review (DAR). Your response has been incorporated into the final report and labeled as Appendix B. The report covers the period from April 1, 2010 to March 31, 2013.

I would like to express my appreciation for all of the courtesy extended to my staff during the course of the fieldwork. I understand that you were especially helpful to Timothy N. Rausch in completing the audit process.

The final report will be forwarded to the Department's Office of Long Term Living (OLTL) to begin the Department's resolution process concerning the report's contents. The staff from OLTL will be in contact with you to follow-up on the actions taken to comply with the report's recommendations.

If you have any questions concerning this matter, please contact David Bryan, Audit Resolution Section at 717-783-7217.

Sincerely,

A handwritten signature in black ink that reads "Tina L Long".

Tina Long, CPA
Director, Bureau of Financial Operations

Enclosure

c: Ms. Karen Deklinski
Mr. Michael Hale
Ms. Anne Henry
Ms. Sallee Rowe
Mr. Michael Luckovick

bc: Mr. Alexander Matolyak
Mr. Daniel Higgins
Mr. David Bryan
Mr. Michael A. Sprow
Ms. Shelly Lawrence
SEFO Audit File (S1214)

Some information has been redacted from this audit report. The redaction is indicated by magic marker highlight. If you want to request an unredacted copy of this audit report, you should submit a written Right to Know Law (RTKL) request to DPW's RTKL Office. The request should identify the audit report and ask for an unredacted copy. The RTKL Office will consider your request and respond in accordance with the RTKL (65 P.S. §§ 67.101 et seq.) The DPW RTKL Office can be contacted by email at: ra-dpwtkl@pa.gov.



December 24, 2013

Mr. Brendan Harris, Executive Deputy Secretary
 Department of Public Welfare
 Health & Welfare Building, Room 333
 Harrisburg, Pennsylvania 17120

Dear Deputy Secretary Harris:

In response to a request from the Office of Long Term Living (OLTL), the Bureau of Financial Operations (BFO) conducted an audit of Samaritans-At-Last, LLC (Samaritans). The audit was designed to investigate, analyze and make recommendations regarding the documentation in support of payments from the Provider Reimbursement and Operations Management Information System (PROMISe) for client care. Our audit covered the period from April 1, 2010 to March 31, 2013 (Audit Period).

This report is currently in final form and therefore contains Samaritans' views on the reported findings, conclusions and recommendations.

Samaritans-At-Last, LLC's Executive Summary

Samaritans provides services to consumers that participate in the Home and Community-Based Services waiver programs that are paid through the PROMISe system. These include the OBRA, Independence, ACT 150 and Attendant Care waivers for OLTL.

The report findings and recommendations are summarized below:

FINDING	SUMMARY
<p><i>Finding No. 1 – No Effective Internal Controls Over PROMISe Billings Existed During the Audit Period</i></p>	<p>Samaritans did not have sufficient controls over time sheets and service delivery notes to ensure that PROMISe billings were accurate and that services were delivered and documented properly.</p>
HIGHLIGHTS OF RECOMMENDATIONS	
<p>Samaritans should:</p> <ul style="list-style-type: none"> • Design and implement an effective system of internal controls over PROMISe billings. These controls should include a reconciliation of documented service time to units billed though PROMISe and a review of service delivery documentation. 	

Samaritans-At-Last, LLC
 April 1, 2010 Through March 31, 2013

FINDING	SUMMARY
<i>Finding No. 2 – The Scope of the Service Delivery was not Always Documented</i>	A statistically valid random sample (SVRS) of PROMISE claims was tested for adequacy of service delivery documentation. The result was that 65.25% of the OLTL claims were inadequately documented. Extrapolating these variances over the entire population of reimbursed claims results in a disallowance of \$545,096

HIGHLIGHTS OF RECOMMENDATIONS
<p>OLTL should:</p> <ul style="list-style-type: none"> • Recover \$545,096 from Samaritans for claims that were inadequately documented. • Continue to ensure that Samaritans complies with programmatic and regulatory requirements, particularly with respect to PROMISE claims. <p>Samaritans should:</p> <ul style="list-style-type: none"> • Only claim reimbursements for services that are rendered and retain adequate documentation for each claim submitted to PROMISE.

FINDING	SUMMARY
<i>Finding No. 3 – Care-Givers’ Time Documentation was not Always Adequate</i>	A statistically valid random sample (SVRS) of PROMISE claims was tested for adequacy of supporting service delivery time. The result was that 9.84% of the OLTL claims were not adequately documented. Extrapolating these variances over the entire population of reimbursed claims results in a disallowance of \$82,203.

HIGHLIGHTS OF RECOMMENDATIONS
<p>OLTL should:</p> <ul style="list-style-type: none"> • Recover \$82,203 from Samaritans for claims that were inadequately documented. • Continue to ensure that Samaritans complies with programmatic and regulatory requirements, particularly with respect to PROMISE claims. <p>Samaritans should:</p> <ul style="list-style-type: none"> • Only claim reimbursements for services that are rendered and retain adequate documentation for each claim submitted to PROMISE.

See Appendix A for the Background; Objective, Scope, Methodology; and, Conclusion on the Objective

Results of Fieldwork

Finding No. 1 – No Effective Internal Controls Over PROMISe Billings Existed During the Audit Period.

Samaritans employed and subcontracted with individual care-givers to deliver personal assistance and respite services to consumers. At the time of the audit, two administrative employees coordinated and supervised the care-givers and their delivery of services to consumers. A third employee, who is a limited liability member of Samaritans, is active in the day-to-day management of Samaritans. No other individuals were active in the management of operations.

After several discussions with management and analysis of records, it was determined that no effective oversight, proof or secondary review was made of the information submitted to PROMISe nor was it reconciled to the underlying documentation or coordinated with similar information, such as payroll records. Procedures should be developed that require a review of PROMISe billings and an independent check to be sure that sufficient service delivery notes exist, time sheets are complete and handed in timely and are readily available. It is likely that some errors and omissions resulted from such a lack of internal control.

Subsequent to the Audit Period, Samaritans instituted a telephone call in system originating from the consumers' homes that should more accurately and systematically record the care-givers' time.

Recommendation

The BFO recommends that Samaritans design and implement an effective set of internal controls over PROMISe billings. These controls should include a reconciliation of documented service time to units billed to PROMISe and a review of service delivery documentation.

Finding No. 2 – The Scope of the Service Delivery was not Always Documented.

Analysis of the PROMISe reimbursements' underlying documentation indicated that many of the claims tested were missing the required supporting documentation.

A SVRS of paid claims was analyzed to verify the services delivered. In order for claims to be valid, each one must be supported by documentation of a qualified care-giver's time in and time out, quantity of service, type of service and a periodic note describing the kind, frequency, duration and/or nature of the service(s) delivered.¹ This analysis revealed that the error rate was 65.25% due to the sample claims lacking documentation of the nature, extent, duration and frequency of care delivered.

¹ 55 Pa. Code Chapter 52, Sections §52.14 Ongoing Responsibilities of Providers and §52.15 Provider Records; 55 Pa. Code Chapter 1101, Section § 1101.51 Ongoing Responsibilities of Providers

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At the start of the audit, the BFO was advised that service delivery notes were kept at the consumers' homes. During the initial stage of the audit, the BFO visited three consumers in their homes. Only one consumer had adequate service delivery notes. Samaritans also provided a few books of service delivery notes from consumers' homes and the BFO also reviewed the notes at Samaritans' office. The service delivery notes that were produced were accepted; however, several consumers had no service delivery notes at all or, for those who did, certain time periods (months) were missing. As such, the BFO advised that it would be available to review any additional documentation that could be located. Nothing further was produced by Samaritans.

Extrapolating the error rate over the universe of paid claims resulted in a disallowance of \$545,096.²

Recommendations

The BFO recommends that OLTL recover \$545,096 for inadequately documented claims.

The BFO also recommends that OLTL continue to monitor Samaritans to ensure compliance with programmatic and regulatory guidelines, particularly with respect to PROMISe claims.

Finally, the BFO recommends that Samaritans retain adequate documentation for each claim submitted to PROMISe.

Finding No. 3 – Care-Givers' Time Documentation was not Always Adequate.

In addition to the written requirements of service delivery stated in Finding No. 2 above, in order for claims to be valid, each one must be supported by documentation of a qualified care-giver's time in and time out.³

Some claims could not be supported because the time sheets were missing. Other claims were disallowed because the number of hours/units attested to on the timesheets was less than the number reimbursed. Some claims were under billed, as the time sheets indicated time greater than was reimbursed by PROMISe. The over billings were netted against the under billings to arrive at a net over billing error rate of 9.84%.

Extrapolating the error rate over the total universe of OLTL paid claims, resulted in a disallowance of \$82,203.

² The total error rate identified, resulted in an extrapolated disallowance amount of \$627,299. The portion of the disallowance related to the lack of supporting documentation was \$545,096; the portion of the disallowance related to the lack of care-giver time sheets was \$82,203.

³ 55 Pa. Code Chapter 52, Sections §52.14 Ongoing Responsibilities of Providers and §52.15 Provider Records; 55 Pa. Code Chapter 1101, Section § 1101.51 Ongoing Responsibilities of Providers

Samaritans-At-Last, LLC
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Recommendations

The BFO recommends that OLTL recover \$82,203 from Samaritans for claims that were inadequately documented by time sheets.

The BFO also recommends that OLTL continue to ensure that Samaritans complies with programmatic and regulatory guidelines, particularly with respect to PROMISE claims.

Finally, the BFO recommends that Samaritans only claim reimbursements for services rendered and retain adequate documentation for each claim submitted to PROMISE.

Exit Conference

On December 11, 2013, an exit conference was held to discuss the draft report and management's response. Management noted that since the progress notes were kept at the consumers' homes, a large extent of the audit deficiencies were attributable to deceased consumers or consumers who switched to other service providers, thereby making the progress notes unavailable.

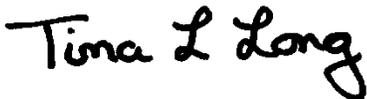
After field work had concluded, a telephone based time and service recording system was implemented. Based on a demonstration of the new information system by management, it is the BFO's opinion that the content and parameters of the data base, if properly used, maintained and stored, should satisfy the documentation requirements.

In accordance with our established procedures, an audit response matrix will be provided to OLTL. Once received, OLTL staff should complete the matrix within 60 days and email the Excel file to the DPW Audit Resolution Section at:

RA-pwauditresolution@pa.gov

The response to each recommendation should indicate the OLTL's concurrence or non-concurrence, the corrective action to be taken, the OLTL staff responsible for the corrective action, the expected date that the corrective action will be completed, and any related comments.

Sincerely,



Tina L. Long, CPA
Director

c: Ms. Karen Deklinski
Mr. Michael Hale
Ms. Anne Henry
Ms. Sallee Rowe
Mr. Michael Luckovich
Mr. Davis Menya

bc: Mr. Alexander Matolyak
Mr. Daniel Higgins
Mr. David Bryan
Mr. Michael A. Sprow
Ms. Shelly Lawrence
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SAMARITANS-AT-LAST, LLC

APPENDIX A

APPENDIX A

Background

Samaritans is a Pennsylvania for-profit health care corporation that was founded in 2009. Its sole office is in Berwyn, PA. Samaritans provides services to clients who are approved by OLTL. Samaritans works with Philadelphia and Delaware county aging organizations to provide in-home personal care and respite services to consumers with special needs.

Samaritans assists consumers to acquire and maintain the highest possible level of independent living considering each consumer's particular circumstances. The services are performed in consumers' homes and community settings by Samaritans' employees.

OLTL funds the waiver eligible services, which are paid through the PROMISe reimbursement process.

Objective/Scope/Methodology

The audit objective, developed in concurrence with OLTL was:

- To determine if Samaritans has adequate documentation to substantiate its paid claims through PROMISe for services delivered.

The criteria used to ascertain the adequacy of supporting documentation was 55 Pa. Code Chapter 1101, 55 Pa. Code Chapter 52, and pertinent Federal Waiver requirements.

In pursuing this objective, the BFO interviewed OLTL personnel and Samaritans' management. We also analyzed books, payroll records, care-giver time sheets, service delivery notes, billing data, PROMISe reimbursement data, electronic records available in the Home and Community Services Information System (HCSIS) and other pertinent data necessary to pursue the audit objective.

Government auditing standards require that we obtain an understanding of management controls that are relevant to the audit objective described above. The applicable controls were examined to the extent necessary to provide reasonable assurance of the effectiveness of those controls. Based on our understanding of the controls, there were material deficiencies in billing procedures. Areas where we noted an opportunity for improvement in management controls are addressed in the findings of this report.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

The BFO's fieldwork was conducted intermittently from July 3, 2013 to August 30, 2013 and was performed in accordance with GAGAS. This report, when presented in final form, will be available for public inspection.

Conclusion on the Objective

Samaritans did not always meet the documentation requirements necessary to support its Promise reimbursements. Significant billing errors, inadequate documentation and a lack of internal control resulted in a total recommended disallowance of \$627,299.

SAMARITANS-AT-LAST, LLC
RESPONSE TO THE DRAFT REPORT

APPENDIX B



Samaritans-At-Last. LLC

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Dear Sir/Madam,

To Whom It May Concern

Response to the findings from the audit report of Samaritans At Last, llc conducted by the Division of Audit and Review.

Samaritans-At-Last, LLC has rendered Quality Home Care Service since 2007, with an attitude of care and sincerity to our community members and elders. We have developed a reputation of excellence and compassion among those we serve and the partners we work with. We have cooperated in assisting the Division of Audit and Review with their investigations, regardless of the fact that we had two other audits scheduled within the same time frame.

Samaritans-At-Last has been using paper timesheets for *Time Records* since our infancy. For our *Service Delivery and Progress Notes* documentation, we were utilizing Note Books that were placed and remained at the consumers' homes for the caregivers' use. These books allowed each caregiver to record the duties performed during the shift, along with messages for communication purposes. The system allowed for supervisors to keep up with consumer progress during visitation and for fill-ins and new caregivers to easily follow up with consumer needs.

Our billing through Promise, was done from information recorded on timesheets that were submitted. These timesheets were signed by both the client or their guardian and the caregivers. These signatures gave us assurance that the information recorded by the caregivers were approved and verified by the client or their guardian.

Though these systems were very effective, they have proved to have challenges and disadvantages, which have resulted in the finding delivered by the Division on Audit and Review. Some challenges and inconsistencies that were mentioned in the reports were results of the following.

Our company policy requires that the caregivers should submit timesheets before the due dates, those timesheets should be correctly filled out with no errors and must be endorsed by both caregiver and client. If timesheets were received late or incorrectly filled out, those



Samaritans-At-Last. LLC

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timesheets were returned to the caregivers for correction and resubmitted for the next payroll and billing period. This system worked well because it allowed the company to have accurate hours for billing and payroll. However, this created errors in some of our billing dates and units on Promise. Inconsistencies such as overbilled units and under billing were some of the finding from the Audit.

In realization of this matter, we have taken corrective measures in June 2013 to improve our Time Recording and Documentation System. We have adapted a new Telephonic Recording system. This system enables the Caregivers to clock in and out using the consumer's telephone system. The time they arrive and leave is electronically recorded and saved in our company's database. This information is saved under each the consumers records and can be exccesed automatically for payroll and billing purposes. The system has proven to be successful thus far, and we no longer worry about late or incorrect paper timesheets.

Our staff has done an amazing job in ensuring that our caregivers are adapting and using the system well. The 10% error on Time Recording previously reported by the Division of Audit and Review has been significantly minimized if not eliminated by the introduction of this new Telephonic Recording system. We are still taking into account systematic and human error, by allowing the use of detailed timesheets as a backup in case an error occurs.

Regarding the finding on Documentation of Services Rendered and Progress Notes, our previous system as mentioned above, was that of Note Books that were kept in the consumers home. The caregiver on duty was to fill in detailed information of all the services provided to the consumer during the shift and then return the book in consumer's drawer for the next caregiver's use. When the next shift started or when the next aide arrived, they were to go over the notes left form the previous shift, in order to know what was done and what was still left to be completed. This system also allowed our field supervisors to monitor the progress of the consumer and know how to adjust the service plan accordingly. The system also proved to work well when a new aide was introduced or when a fill-in came in to cover a shift. This allowed them to have first-hand information on how to continue the care of the consumer in a manner that our consumer in accustomed to.

A disadvantage with this system was realized by our company during consumer transfers and when they passed away. After a consumer had transferred to another agency or passed, it became hard for our field supervisors to retrieve the Note Book from the consumer's



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home. We were able to recover the records of those clients we still serve, but lost majority of records in the process. We have since June 2013 implemented the telephonic system by VisitCall for Documentation of Services and Progress Notes. This allows our caregiver to document the services rendered electronically without violating HIPPA regulations. These records are automatically saved in our company's database and can be accessed from our office when needed by field supervisors.

Samaritans At Last stands to serve our community with integrity and dignity. We appreciate the work done by DAR and we are grateful for their efforts to give us insights and gearing us on how to improve our service delivery while obliging to the DPW and OLTL regulations. The findings conducted reflected only a random sample of 10% of our operations. We strongly believe that possibility of getting the same results by conducting another 10% would not be the same; it could be possibly favorable to Samaritans At Last; thus the margin of error should be taken into consideration. In addition, we acknowledge the lacking of orderly arrangement in service documentation but we did offer the service hours in dispute; our clients can be of testament to that. Nevertheless, we have implemented measures that have improved our service documentation process. Samaritans At Last is on the right course to eliminate all the inconsistencies regarding inadequate documentation, and internal control.

Sincerely,

[Redacted Signature]

11/15/2013

Care Manager
Samaritans At Last, llc