



**pennsylvania**  
DEPARTMENT OF HUMAN SERVICES  
BUREAU OF FINANCIAL OPERATIONS

March 15, 2016

Mr. Kihurani Gakuu  
Complete Healthcare Services, Inc.  
6415 Market Street  
Upper Darby, Pennsylvania 19082

Dear Mr. Gakuu:

I am enclosing for your review the final audit report of Complete Healthcare Services Inc. (CHS) as prepared by the Division of Audit and Review (DAR). Your response has been incorporated into the final report and labeled as an Appendix. The report covers the period July 1, 2013 to June 30, 2015.

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 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 [REDACTED].

Sincerely,

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

Tina L. Long, CPA  
Director

c: Mr. Jay Bausch  
Mr. Grant Witmer  
Mr. Michael Luckovich  
Ms. Kim Barge

bc: Mr. Alexander Matolyak  
Mr. Daniel Higgins  
Mr. David Bryan  
Mr. Grayling Williams  
Ms. Shelley Lawrence  
SEFO Audit File (S1501-P99)

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 DHS'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 (65P.S. §§ 67.101 et seq.) The DHS RTKL Office can be contacted by email at: [rapwrtkl@pa.gov](mailto:rapwrtkl@pa.gov).



March 15, 2016

Mr. Brendan Harris, Executive Deputy Secretary  
 Department of Human Services  
 Health & Welfare Building, Room 334  
 Harrisburg, Pennsylvania 17120

Dear Deputy Secretary Harris:

The Bureau of Financial Operations (BFO) conducted an audit of Complete Healthcare Services, Inc. (CHS). The audit was designed to investigate, analyze, and make recommendations regarding the reimbursements from the Provider Reimbursement and Operations Management Information System (PROMISe) for client care. Our audit covered the period from July 1, 2013 to June 30, 2015 (Audit Period).

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

**Executive Summary**

CHS provides assisted living services through participation in the Home and Community Based Services (HCBS) waiver programs, such as the Pennsylvania Department of Aging (PDA) waiver which is administered, in part, by the Department of Human Services' (DHS) Office of Long Term Living (OLTL).

The findings and recommendations for corrective action are summarized below:

FINDINGS	SUMMARY
<p><b>Finding No. 1 – PROMISe Claims Were Not Supported by Adequate Documentation</b></p>	<p>A Statistically Valid Random Sample (SVRS) of personal assistance services claims was tested for adequacy of supporting documentation. The discrepancies identified related to a lack of time sheets and daily activity note documentation. Total questioned costs are \$180,077.</p>
HIGHLIGHTS OF RECOMMENDATIONS	
<p>OLTL should:</p> <ul style="list-style-type: none"> <li>• Recover \$180,077 for inadequately documented claims.</li> <li>• Provide technical assistance as necessary to ensure that CHS has comprehensive knowledge of all applicable regulations.</li> <li>• Continue to monitor CHS's service documentation for compliance with applicable regulations.</li> </ul> <p>CHS should:</p> <ul style="list-style-type: none"> <li>• Ensure that personnel have proper training in the requirements and preparation of daily activity notes and other documentation required to support the services that are billed.</li> <li>• Establish adequate monitoring and oversight to ensure claims that are submitted through PROMISe are properly documented and in compliance with the applicable regulations.</li> </ul>	

**Complete Healthcare Services, Inc.  
July 1, 2013 to June 30, 2015**

FINDINGS	SUMMARY
<p><b>Finding No. 2 – CHS Did Not Have a Periodic Screening Process in Place as Required by MA Bulletin 99-11-05.</b></p>	<p>CHS verified that its job applicants and new hires were eligible to be care-givers. However, CHS did not have a process in place to periodically rescreen its current employees.</p>
HIGHLIGHTS OF RECOMMENDATIONS	
<p>OLTL should:</p> <ul style="list-style-type: none"> <li>• Continue to monitor CHS’s employee rescreening process for compliance with applicable requirements.</li> </ul> <p>CHS should:</p> <ul style="list-style-type: none"> <li>• Ensure that adequate procedures are in place to verify the continuing eligibility of CHS’s care-givers to provide services.</li> <li>• Verify monthly that its care-givers are eligible to perform services.</li> </ul>	

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

**Results of Fieldwork**

**Finding No. 1 – PROMISe Claims Were Not Supported by Adequate Documentation**

CHS provided personal assistance services to consumers in Philadelphia. The BFO analyzed the documentation supporting the delivery of services to determine the validity of each paid claim.<sup>1</sup> Numerous discrepancies were found in the documentation that was sampled. For instance, several sampled claims had no supporting documentation, and for other claims the time sheets did not support the units paid by PROMISe. Claims were both over and under-billed, resulting in a net overbilling.

Regarding activity/progress notes, the Pennsylvania Code at Title 55, Chapter 52, subsection 52.15 (a) states: “A provider shall complete and maintain documentation on service delivery.”

Extrapolation of the unit error value over the population of personal assistance services results in questioned costs totaling \$180,077 with a variance of +/- \$94,963.

**Recommendations**

The BFO recommends that OLTL recover \$180,077 for claims that were inadequately documented.

The BFO also recommends that OLTL provide technical assistance as necessary to ensure that CHS has comprehensive knowledge of all applicable regulations.

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<sup>1</sup> 55 Pa. Code Chapter 52, §52.14 Ongoing Responsibilities of Providers, §52.15 Provider Records and §52.15 (a), (b) Progress Notes. Also see, 55 Pa. Code Chapter 1101 §1101.11 General Provisions and §1101.51 Ongoing Responsibilities of Providers.

**Complete Healthcare Services, Inc.**  
**July 1, 2013 to June 30, 2015**

Additionally, the BFO recommends that OLTL continue to monitor CHS's service documentation for compliance with applicable regulations.

The BFO further recommends that CHS ensure that personnel have the proper training in the requirements and preparation of daily activity notes and other documentation required to support the services that are billed.

Finally, the BFO recommends that CHS establish adequate monitoring and oversight to ensure that claims submitted through PROMISE are properly documented and in compliance with the applicable regulations.

**Finding No. 2 – CHS Did Not Have a Periodic Screening Process in Place as Required by MA Bulletin 99-11-05**

The Federal Department of Health and Human Services' Office of Inspector General (OIG) excludes individuals and entities found on the OIG's List of Excluded Individuals/Entities from participation in Medicare, Medicaid and all Federal health care programs.<sup>2</sup>

The BFO determined that all new job applicants and newly hired individuals were vetted through the federal data bases as required by MA Bulletin 99-11-05. However, internal controls were not in place to ensure that care-givers continued to be eligible to provide services, which is also required by MA Bulletin 99-11-05.

**Recommendations**

The BFO recommends that OLTL continue to monitor CHS's employee rescreening process for compliance with applicable requirements.

The BFO recommends that CHS ensure that adequate procedures are in place to verify the continuing eligibility of CHS's care-givers to provide services.

The BFO further recommends that CHS verify monthly that its care-givers are eligible to perform services.

**Exit Conference and Auditor's Commentary**

The audit issues, the draft report and CHS's response to the draft report were discussed at an exit conference that was held on March 10, 2016. No additional documentation was presented and therefore no changes were made to the draft audit report as a result of CHS's response or the exit conference.

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<sup>2</sup> MA Bulletin 99-11-05

**Complete Healthcare Services, Inc.**  
**July 1, 2013 to June 30, 2015**

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



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

Sincerely,

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

Tina L. Long, CPA  
Director

c: Mr. Jay Bausch  
Mr. Grant Witmer  
Mr. Michael Luckovich  
Ms. Kim Barge

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SEFO Audit File (S1501-P99)

**COMPLETE HEALTHCARE SERVICES, INC.**

**APPENDIX A**

## **APPENDIX A**

### **Background**

Complete Healthcare Services Inc. (CHS) is a for-profit home health care corporation that was incorporated in 2004. The corporation provides personal assistance services to consumers in Philadelphia, Pennsylvania. CHS serves clients who are approved by OLTL and the Philadelphia Department of Aging.

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

OLTL funds the 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 CHS has adequate documentation to substantiate its paid claims through PROMISe for services reimbursed.

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

In pursuing this objective, the BFO interviewed OLTL personnel and CHS management. We also analyzed the books, payroll records, care-giver time sheets, daily activity 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.

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.

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 documentation and billing procedures.

Areas where we noted an opportunity for improvement in management controls are addressed in the findings of this report.

The BFO's fieldwork was conducted from September 21, 2015 to September 30, 2015 and was performed in accordance with GAGAS. This report is available for public inspection.

### **Conclusion on the Objective**

In conclusion, CHS did not meet the documentation requirements for certain claims. The documentation deficiencies resulted in questioned costs of \$180,077.

**COMPLETE HEALTHCARE SERVICES, INC.**  
**RESPONSE TO THE DRAFT REPORT**  
**APPENDIX B**



Wednesday, March 02, 2016

## DHS Financial Audit Response

### **Finding No. 1 - PROMISE Claims Were not Supported by Adequate Documentation**

According to our in house process, time sheets are turned in every Monday for the previous week. After the service coordinator ensures that the time sheets are filled out correctly, they are then entered into our database. Each individual day of service is checked off with a red marker, indicating that they were entered in the database. The database then aggregates all the hours for payroll and billing purposes. It is from this database that we then acquire the units that we bill in promise. The hours that we bill PROMISE have to match the hours that are entered into payroll. It appears that the time sheets that we could not produce to support the units billed may have been misfiled or misplaced. However, our database does indicate those specific visits even though the physical time sheets could not be located.

#### Plan of correction.

We are implementing a process of scanning all time sheets after they entered into our database and before they are filed in the patient chart. All time sheets from July 1<sup>st</sup> 2015 will be scanned. We intend to have this process implemented and working by **May 1<sup>st</sup> 2016**. We also intend to use additional resources to try and determine if those time sheets can be located..

### **Finding No. 2 – CHS Did not have a periodic screening process in place as required by MA Bulletin 99-11-05**

#### Plan of Correction

In order to be in compliance with the requirements of MA Bulletin 99-11-05, we have developed policies and procedures for screening of all employees and contractor at the time of hire or contracting and also on an ongoing monthly basis.

We will use the following databases to determine exclusion status:

1. Pennsylvania Medichcek List
2. Lit of Excluded Individuals/Entities (LEIE)
3. Excluded Parties List System (EPLS)

We will also immediately self report any discovered exclusion of an employee or contractor to the PA state bureau of program integrity.

We will have this POC fully implemented, including the training of individuals who will conduct the search, by April 1<sup>st</sup> 2016