

Department of Health and Human Services

**OFFICE OF  
INSPECTOR GENERAL**

**REVIEW OF LOUISIANA  
MEDICAID PERSONAL CARE  
SERVICES PROVIDED BY  
IMMACULATE HEART OF  
MARY-PCS**

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Patricia Wheeler  
Regional Inspector General

January 2013  
A-06-09-00106

# *Office of Inspector General*

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The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

## **EXECUTIVE SUMMARY**

### **BACKGROUND**

Pursuant to Title XIX of the Social Security Act, the Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program. Each State administers its Medicaid program in accordance with a CMS-approved State plan. Although the State has considerable flexibility in designing and operating its Medicaid program, it must comply with applicable Federal requirements. In Louisiana, the Department of Health and Hospitals, Bureau of Health Services Financing (the State agency), is responsible for administering the Medicaid program.

Pursuant to 42 CFR § 440.167, personal care services may be provided to individuals who are not inpatients at a hospital or residents of a nursing facility, an intermediate care facility for individuals with intellectual disabilities, or an institution for mental disease. The services must be (1) authorized by a physician or, at the State agency's option, otherwise authorized in accordance with a service plan approved by the State agency; (2) provided by an employee who is qualified to provide such services and who is not the recipient's legally responsible relative; and (3) furnished in a home or, at the State agency's option, at another location. Examples of personal care services include, but are not limited to, cleaning, shopping, grooming, and bathing.

The State agency reported to CMS personal care services expenditures of approximately \$472 million (\$348 million Federal share) during the period October 1, 2006, through March 31, 2009. Of that amount, Immaculate Heart of Mary-PCS (Immaculate), a personal care services provider in Melville, Louisiana, received \$8,123,591 (\$5,971,657 Federal share).

### **OBJECTIVE**

Our objective was to determine whether the State agency ensured that Immaculate's claims for Federal reimbursement of Medicaid personal care services complied with Federal and State requirements.

### **SUMMARY OF FINDINGS**

The State agency did not always ensure that Immaculate's claims for Federal reimbursement of Medicaid personal care services complied with Federal and State requirements. Of the 100 sampled claims, 28 complied with requirements but 72 did not. Some claims had multiple deficiencies.

- Services included in 26 claims were unallowable or partially unallowable because they were provided by employees who did not meet the State's minimum training requirements as of the dates of service (17 claims) or did not meet the minimum education and experience requirements (8 claims) or because Immaculate did not have sufficient documentation to support the number of units claimed (4 claims). As a result,

Immaculate received an overpayment of \$3,476 (\$2,506 Federal share) for these 26 claims.

- Services included in 46 claims were provided by employees who did not complete the training requirements in the time period State regulations required. However, these employees obtained the required minimum hours of training before they provided the services. As such, we did not include these claims in our estimate of overpayments.

These deficiencies occurred because (1) Immaculate did not follow all of the State agency's employee qualification requirements, (2) Immaculate did not ensure that units claimed were properly supported, and (3) the State agency did not effectively monitor its personal care services providers for compliance with the State agency's requirements.

Based on our sample, we estimated that Immaculate improperly claimed at least \$820,096 (Federal share) of unallowable reimbursement for personal care services during the period October 1, 2006, through March 31, 2009.

## **RECOMMENDATIONS**

We recommend that the State agency:

- refund to the Federal Government the estimated \$820,096 (Federal share) paid to Immaculate for unallowable personal care services,
- ensure that personal care services providers implement controls to ensure that their employees meet all of the State agency's applicable employee training requirements,
- ensure that personal care services providers properly support the number of units claimed, and
- ensure that its personal care services providers understand employee training requirements and improve its monitoring of personal care services providers to identify issues of noncompliance with training requirements.

## **IMMACULATE COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE**

In its written comments on our draft report, Immaculate did not comment on the validity of our findings, nor did it provide any additional information that would lead us to change our findings or recommendations.

## **STATE AGENCY COMMENTS**

In its written comments on our draft report, the State agency concurred with our recommendations. The State agency said that it has implemented corrective actions, including a revision of its training requirements.

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# INTRODUCTION

## BACKGROUND

Pursuant to Title XIX of the Social Security Act (the Act), the Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program. Each State administers its Medicaid program in accordance with a CMS-approved State plan. Although the State has considerable flexibility in designing and operating its Medicaid program, it must comply with applicable Federal requirements. In Louisiana, the Department of Health and Hospitals, Bureau of Health Services Financing (the State agency), is responsible for administering the Medicaid program.

### **Louisiana’s Personal Care Services Program**

Louisiana’s personal care services program<sup>1</sup> provides limited assistance to recipients whose personal care needs would otherwise require that they be placed in a nursing facility rather than remain in their homes. Personal care services must be authorized in advance and provided in accordance with an approved plan of care and supporting documentation. The State agency contracts with a third-party assessor to perform an in-home assessment for each recipient to determine the types and amounts of care needed and develop a personal care services plan. Examples of personal care services include, but are not limited to, cleaning, shopping, grooming, and bathing.

### **Federal and State Requirements**

Pursuant to section 1905(a)(24) of the Act and implementing Federal regulations (42 CFR § 440.167), personal care services may be provided to individuals who are not inpatients at a hospital or residents of a nursing facility, an intermediate care facility for individuals with intellectual disabilities,<sup>2</sup> or an institution for mental disease. The services must be (1) authorized for an individual by a physician or, at the State agency’s option, otherwise authorized in accordance with a service plan approved by the State agency; (2) provided by an employee who is qualified to provide such services and who is not a member of the individual’s family; and (3) furnished in a home or, at the State agency’s option, at another location.

The Louisiana Medical Assistance Program State Plan, Att. 4.19-B, item 26, states that providers shall comply with standards for participation established by the State agency.

Louisiana Administrative Code (LAC) Title 50, part XV, section 12909(A)(1), states: “In order

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<sup>1</sup> The State Medicaid plan contains two personal care services programs: one for the early periodic screening, diagnosis, and treatment population; one for long-term personal care services. Our report refers only to long-term personal care services.

<sup>2</sup> Changes in terminology are based on Rosa’s Law (P.L. No. 111-256). For more information, see CMS Final Rule, 77 Fed. Reg. 29002, 29021, and 29028 (May 16, 2012).

to participate as a Personal Care Services provider in the Medicaid program, an agency must comply with: (a) state licensing regulations; (b) Medicaid provider enrollment requirements; (c) the standards of care set forth by the Louisiana Board of Nursing; and (d) the policy and procedures contained in the Personal Care Services provider manual.”<sup>3</sup> The Manual, chapter 30, section 30.7, states that a separate service log must be kept for each recipient and that reimbursement is payable only for services documented in the service log.

LAC Title 50, part XV, section 12911(F), requires that personal care services employees (1) receive a minimum of 8 hours of orientation within 1 week of employment, (2) receive training in cardiopulmonary resuscitation (CPR) and basic first aid within 1 week of employment, (3) receive a minimum of 16 hours of training within 30 days of employment, and (4) satisfactorily complete a minimum of 20 hours of annual training related to providing personal care services.

LAC Title 50, part XV, sections 12911(A) and (B)(2), require that personal care services agencies participating in the Medicaid program ensure that all staff providing direct care to recipients meet the qualifications for furnishing personal care services. All personal care services employees must have one of the following minimum education and experience qualifications: (1) a high school diploma or general equivalency diploma (GED), (2) a trade school diploma in the area of human services, or (3) documented, verifiable experience providing personal care services to the elderly and/or persons with disabilities.

### **Personal Care Services Expenditures**

Pursuant to section 1905(b) of the Act, the Federal Government pays its share of a State’s medical assistance costs under Medicaid based on the Federal medical assistance percentage (FMAP), which varies depending on the State’s relative per capita income. From October 1, 2006, to March 31, 2009, the FMAP for Louisiana ranged from 69.69 percent to 80.01 percent. The State agency reported to CMS personal care services expenditures of approximately \$472 million (\$348 million Federal share) during the period October 1, 2006, through March 31, 2009. Of that amount, Immaculate Heart of Mary-PCS (Immaculate), a personal care services provider in Melville, Louisiana, received \$8,123,591 (\$5,971,657 Federal share).

## **OBJECTIVE, SCOPE, AND METHODOLOGY**

### **Objective**

Our objective was to determine whether the State agency ensured that Immaculate’s claims for Federal reimbursement of Medicaid personal care services complied with Federal and State requirements.

### **Scope**

This audit covered the \$8,123,591 the State agency paid to Immaculate for 77,097 claim lines (hereafter referred to as “claims”) paid for the period October 1, 2006, through March 31, 2009.

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<sup>3</sup> The State agency established all of the LAC provisions cited in this report.

We limited our review of internal controls to the State agency's oversight of personal care services providers and Immaculate's procedures for maintaining documentation related to employees and recipients.

We conducted our fieldwork at the State agency office in Baton Rouge, Louisiana, the third-party assessor's office in Baton Rouge, Louisiana, and Immaculate's office in Melville, Louisiana.

## **Methodology**

To accomplish our objective, we:

- reviewed Federal and State requirements for the personal care services program;
- interviewed State agency and third-party assessor officials to gain an understanding of the personal care services program;
- obtained from the Medicaid Management Information System fiscal agent claims data for personal care services that were paid from October 1, 2006, through March 31, 2009, and reconciled the totals to the amounts claimed during the same period on the Form CMS-64, Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program;
- selected Immaculate to review based on payments for personal care services claims it received totaling \$8,123,591 for the audit period;
- selected a random sample of 100 Immaculate claims (Appendix A);
- met with Immaculate officials to gain an understanding of Immaculate's policies and procedures and of documentation in Immaculate's recipient and employee personnel files;
- identified the employee(s) included in each sampled claim and obtained documentation Immaculate maintained in the identified employee personnel files;
- evaluated the documentation obtained for each sample claim to determine whether it complied with Federal and State Medicaid requirements;
- discussed the results of our audit with officials from the State agency and Immaculate; and
- estimated the unallowable Federal Medicaid reimbursement paid for the 77,097 claims (Appendix B).

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain

sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## **FINDINGS AND RECOMMENDATIONS**

The State agency did not always ensure that Immaculate's claims for Federal reimbursement of Medicaid personal care services complied with Federal and State requirements. Of the 100 sampled claims, 28 claims complied with requirements but 72 did not. Some claims had multiple deficiencies.

- Services included in 26 claims were unallowable or partially unallowable because they were provided by employees who did not meet the State's minimum training requirements as of the dates of service (17 claims) or did not meet the minimum education and experience requirements (8 claims) or because Immaculate did not have sufficient documentation to support the number of units claimed (4 claims). As a result, Immaculate received an overpayment of \$3,476 (\$2,506 Federal share) for these 26 claims.
- Services included in 46 claims were provided by employees who did not complete the training requirements in the time period required by State regulations. However, these employees obtained the required minimum hours of training before they provided the services. As such, we did not include these claims in our estimate of overpayments.

These deficiencies occurred because (1) Immaculate did not follow all of the State agency's employee qualification requirements, (2) Immaculate did not ensure that units claimed were properly supported, and (3) the State agency did not effectively monitor its personal care services providers for compliance with the State agency's requirements.

See Appendix C for details of the deficiencies identified by sample claim.

Based on our sample, we estimated that Immaculate improperly claimed at least \$820,096 (Federal share) of unallowable reimbursement for personal care services during the period October 1, 2006, through March 31, 2009.

### **EMPLOYEE QUALIFICATION DEFICIENCIES**

#### **State Requirements**

LAC Title 50, part XV, section 12909(B)(4), requires that a Medicaid-enrolled agency ensure that employees are qualified to provide personal care services and ensure that employees satisfactorily complete an orientation and training program in the first 30 days of employment.

LAC Title 50, part XV, sections 12911(F)(1)(3) and (4), require that personal care services employees complete a minimum of 8 hours of orientation within 1 week of employment, complete a minimum of 16 hours of training within 30 days of employment, and satisfactorily

complete a minimum of 20 hours of annual training related to providing personal care services. In addition, LAC Title 50, part XV, section 12911(F)(2), requires that new personal care services employees receive training in CPR and basic first aid within 1 week of employment.

LAC Title 50, part XV, sections 12911(A) and (B)(2), require that personal care services agencies participating in the Medicaid program ensure that all employees providing personal care services meet the appropriate qualifications. All personal care services workers must have one of the following minimum education and experience qualifications: (1) a high school diploma or GED, (2) a trade school diploma in the area of human services, or (3) documented, verifiable experience providing personal care services to the elderly and/or persons with disabilities.

### **Requirements Not Met by the Claimed Dates of Service**

Of the 72 claims that did not comply with requirements, 22 were provided by employees who did not meet the minimum training or education and experience requirements. Some claims had multiple deficiencies. Specifically, for these 22 claims, the employees did not obtain:

- the minimum education and experience qualifications (8 claims),
- CPR certification (7 claims),
- first aid certification (6 claims),
- orientation training (5 claims),
- the minimum number of initial training hours (5 claims), or
- the minimum number of annual training hours (4 claims).

### **Requirements Not Met in the Required Time Period**

Of the 72 claims that did not comply with requirements, services included in 46 claims were provided by employees who did not complete training within the time period the State required. Some of these claims had multiple deficiencies. Specifically, the employees did not obtain:

- first aid certifications within 1 week of employment (44 claims),
- CPR certifications within 1 week of employment (42 claims),
- the minimum number of initial training hours within 30 days of employment (6 claims),  
or
- the minimum number of orientation hours within 1 week of employment (2 claims).

## **OTHER DEFICIENCIES**

### **Unsupported Units Claimed**

Of the 72 claims that did not comply with requirements, 4 did not support the units claimed for employee services. Specifically, the number of units on employee timesheets was less than the number of units claimed.

## **CAUSES OF DEFICIENCIES**

These deficiencies occurred because (1) Immaculate did not follow all of the State agency's employee qualification requirements, (2) Immaculate did not ensure that units claimed were properly supported, and (3) the State agency did not effectively monitor its personal care services providers for compliance with the State agency's requirements.

## **EFFECT OF DEFICIENCIES THAT RESULTED IN OVERPAYMENTS**

Based on our sample, we estimated that Immaculate received at least \$820,096 (Federal share) of unallowable reimbursement for personal care services (Appendix B).

## **RECOMMENDATIONS**

We recommend that the State agency:

- refund to the Federal Government the estimated \$820,096 (Federal share) paid to Immaculate for unallowable personal care services,
- ensure that personal care services providers implement controls to ensure that their employees meet all of the State agency's applicable employee training requirements,
- ensure that personal care services providers properly support the number of units claimed, and
- ensure that its personal care services providers understand employee training requirements and improve its monitoring of personal care services providers to identify issues of noncompliance with training requirements.

## **IMMACULATE COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE**

In its written comments on our draft report, Immaculate stated that it had requested, but was not granted, the amount of time it requested to respond to the draft report and thus was unable to provide a detailed response to our claims. Immaculate added that it is not agreeing to the validity of our findings or admitting that the findings are correct, and reserves the right to respond further to our agency or to the State should a determination be made that a recoupment of funds is due. Immaculate's comments are included in their entirety as Appendix D.

Immaculate requested and was granted an extension to respond to our draft report on two separate occasions. In addition to the 30-day period required by our policies and procedures for responding to draft reports, we granted Immaculate 6 additional weeks. Immaculate did not provide any additional information that would lead us to change our findings or recommendations.

## **STATE AGENCY COMMENTS**

In its written comments on our draft report, the State agency concurred with our recommendations. The State agency said that it has implemented corrective actions, including a revision of its training requirements. The State agency's comments are included in their entirety as Appendix E.

## **OTHER MATTERS**

### **Time Conflicts Between Employee Timesheets and Training**

In addition to our statistical sample, we judgmentally selected 31 employee timesheets and training records to review for time conflicts. We found that 21 employees claimed on their timesheets that they were working with recipients while, according to their individual training records, the employees were attending training classes. The time conflicts ranged from 1 occurrence for 3 employees to 11 occurrences for 2 employees. In addition, the overlap in time ranged from 1 hour for 14 occurrences to 8 hours for 1 occurrence.

### **Courtesy Call Conflicts**

In reviewing documentation related to the 100 claims in our sample, we noticed that the provider had called the recipient to monitor the care being provided. Several of the call documents noted that the employee was not with the recipient at the time of the call. We judgmentally selected 53 call documents showing that the employee was not with the recipient at the time of the call and checked the employees' corresponding timesheets. Thirty-three of the timesheets showed that the employees were with the recipient at the time of the call.

## **APPENDIX A: SAMPLE DESIGN AND METHODOLOGY**

### **POPULATION**

The population consisted of Medicaid claim lines submitted by the Louisiana Department of Health and Hospitals for personal care services provided by Immaculate Heart of Mary-PCS (Immaculate) and paid during the period October 1, 2006, through March 31, 2009.

### **SAMPLING FRAME**

The sampling frame consisted of 77,097 personal care services claim lines totaling \$8,123,591 for the period October 1, 2006, through March 31, 2009.

### **SAMPLE UNIT**

The sample unit was a personal care services claim line for which the State reimbursed Immaculate.

### **SAMPLE DESIGN**

We used a simple random sample.

### **SAMPLE SIZE**

We selected a sample of 100 claim lines.

### **SOURCE OF RANDOM NUMBERS**

We used Office of Inspector General, Office of Audit Services, statistical software to generate the random numbers.

### **METHOD OF SELECTING SAMPLE ITEMS**

We consecutively numbered the sample units in the sampling frame from 1 to 77,097. After generating 100 random numbers, we selected the corresponding frame items.

### **ESTIMATION METHODOLOGY**

We used Office of Inspector General, Office of Audit Services, statistical software to estimate the total value of overpayments.

**APPENDIX B: SAMPLE RESULTS AND ESTIMATES**

**Sample Results**

<b>Sampling Frame Size</b>	<b>Value of Frame (Federal Share)</b>	<b>Sample Size</b>	<b>Value of Sample (Federal Share)</b>	<b>No. of Sampled Claim Lines With Deficiencies</b>	<b>Value of Sampled Deficient Claim Lines (Federal Share)</b>
77,097	\$5,971,657	100	\$8,242	26	\$2,506

**Estimated Value of Overpayments**  
*(Limits Calculated for a 90-Percent Confidence Interval)*  
**(Federal Share)**

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Point estimate	\$1,932,005
Lower limit	\$820,096
Upper limit	\$3,043,913

### APPENDIX C: REASONS FOR DEFICIENT CLAIM LINES

Requirements Not Met by the Claimed Dates of Service	
<b>1</b>	Orientation hours (8 hours)
<b>2</b>	Minimum number of initial training hours (16 hours)
<b>3</b>	Annual training (20 hours)
<b>4</b>	CPR certification
<b>5</b>	First aid certification
<b>6</b>	Minimum education and experience qualifications
Unsupported Units Claimed	
<b>7</b>	Unsupported units of payment for claimed dates of service
Training Requirements Not Met in the Required Time Period	
<b>8</b>	CPR certification
<b>9</b>	First aid certification
<b>10</b>	Orientation hours (8 hours)
<b>11</b>	Initial training (16 hours)

No.	1	2	3	4	5	6	7	8	9	10	11	No. of Deficiencies	Sample Item No. <sup>1</sup>
1		X	X									2	1
2								X	X			2	2
3								X	X			2	3
4									X			1	4
5				X	X	X						3	5
6		X										1	8
7								X	X			2	10
8								X	X			2	11
9											X	1	13
10							X					1	14
11	X											1	16
12								X	X			2	20
13								X	X			2	21
14								X	X			2	22
15								X	X			2	23
16	X			X	X							3	24
17								X	X			2	25
18								X	X			2	26
19								X	X			2	27
20	X			X	X							3	29
21								X	X			2	30
22								X	X			2	31
23											X	1	32

<sup>1</sup> We include the "Sample Item No." column as a cross-reference to the specific sample item.

No.	1	2	3	4	5	6	7	8	9	10	11	No. of Deficiencies	Sample Item No. <sup>1</sup>
24				X								1	33
25								X	X			2	34
26								X	X			2	36
27								X	X	X	X	4	38
28			X			X						2	39
29								X	X			2	41
30								X	X		X	3	42
31								X	X			2	43
32								X	X			2	44
33								X	X			2	45
34								X	X			2	46
35						X						1	47
36	X		X									2	48
37						X						1	50
38				X	X							2	51
39								X	X			2	52
40								X	X			2	53
41								X	X		X	3	54
42		X										1	55
43				X	X							2	58
44		X										1	59
45								X	X			2	61
46				X	X							2	62
47								X	X	X		3	63
48							X					1	64
49								X	X			2	66
50								X	X			2	67
51								X	X			2	69
52							X					1	71
53								X	X			2	72
54			X			X						2	73
55							X					1	74
56						X						1	75
57									X			1	79
58								X	X			2	80
59								X	X			2	82
60								X	X		X	3	83
61								X	X			2	84
62						X						1	87
63		X										1	88
64								X	X			2	89
65								X	X			2	90

<b>No.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>No. of Deficiencies</b>	<b>Sample Item No.<sup>1</sup></b>
66								X	X			2	91
67								X	X			2	92
68								X	X			2	93
69	X											1	94
70						X						1	95
71								X	X			2	98
72								X	X			2	100
<b>Total</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>7</b>	<b>6</b>	<b>8</b>	<b>4</b>	<b>42</b>	<b>44</b>	<b>2</b>	<b>6</b>	<b>133</b>	

**APPENDIX D: IMMACULATE HEART OF MARY-PCS, LLC, COMMENTS**

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August 30, 2012

Report Number: A-06-09-00106

Department of Health & Human Services  
Office of Inspector General  
Office of Audit Services, Region VI  
1100 Commerce Street, Room 632  
Dallas TX 75242

ATTENTION: Patricia Wheeler  
Paul Garcia

Dear Sir or Madam:

We have reviewed your above-referenced draft report concerning your audit of Immaculate Heart of Mary-PCS, LLC beginning in late 2009. Immaculate Heart of Mary-PCS, LLC has cooperated willingly and promptly on all requests for documentation, records, and information concerning the programs and claims being audited.

Immaculate Heart of Mary-PSC, LLC provides quality care to rural and poor communities in an area where access to these types of services is limited. Immaculate Heart of Mary-PCS, LLC is committed to ensuring that the people we serve have the tools and resources to fully participate in their lives, families and communities. We help these people to remain in the least restrictive environment so that they may maximize their enjoyment of life. We provide our services with responsibility, dependability and compassion.

We recently requested an additional extension of time to respond to your draft report, but we were not granted the amount of time we requested. Thus, we are unable to provide a detailed response to the claims in your draft report at this time.

Immaculate Heart of Mary-PCS, LLC is not agreeing to the validity of your findings or admitting that the findings are correct. We reserve the right to further respond to your agency and/or to the State of Louisiana and to provide information regarding the audit in the future, should there be any determination that a recoupment or refund of monies is due.

Respectfully,

  
Mary Morain



**State of Louisiana**  
Department of Health and Hospitals  
Bureau of Health Services Financing

December 7, 2012

Ms. Patricia Wheeler  
Regional Inspector General  
Department of Health & Human Services  
Office of Inspector General  
Office of Audit Services, Region VI  
1100 Commerce Street, Room 632  
Dallas, TX 75242

Audit: **A-06-09-00106**

Dear Ms. Wheeler:

In response to the draft audit report entitled "Review of Louisiana Medicaid Personal Care Services Provided by Immaculate Heart of Mary-PCS", the Louisiana Department of Health and Hospitals (DHH) has reviewed the report and we concur with your offices recommendations.

As a result of your review, we have implemented the following corrective actions:

❖ **Employment Qualification Deficiencies:**

○ **Orientation and Training; Education and Experience:**

- DHH implemented a new licensing rule for all Home and Community based providers in July 2011, which consolidated all of the training requirements. Now, all of the home and community based services have the same training requirements. DHH repealed the Direct Service Worker Registry Rule and the Waiver Standards of Participation Rule to avoid conflict and provider confusion with the training requirements.
- DHH also contracted with a CPA Firm to conduct audits on Long Term Personal Care Service Providers (L.T-PCS), Elderly and Disabled Adult (EDA) Waiver Providers, and New Opportunity (NOW) Waiver Providers. The auditors also found issues with compliance with DHH's old training requirements and educational/experience qualifications. The auditors brought the issue to the for-front of providers' attention.

❖ **Other Deficiencies – Unsupported Units Claimed:**

- The provider was notified by sanction letter of “Record Keeping Guidelines” in January 2009 and March 2010.
- DHH has placed Louisiana Medicaid policy, trainings, and updates on [lamedicaid.com](http://lamedicaid.com).

❖ **Other Matters – Time Conflicts between Employee Timesheets and Training; Courtesy Call Conflicts:**

- DHH’s current rules do not allow an employee to claim time worked with a recipient while they attend training.
- DHH has placed Louisiana Medicaid policy, trainings, and updates on [lamedicaid.com](http://lamedicaid.com).

In relation to this audit, we would like to thank your staff for their courtesy and we look forward to working with your office in the future.

If you have any questions or need any additional information about this matter, please contact Jina Hughes, Director Program Integrity at 225-219-4150 or by e-mail at [jina.hughes@la.gov](mailto:jina.hughes@la.gov).

Sincerely,

A handwritten signature in cursive script that reads "Ruth Kennedy / JKH".

J. Ruth Kennedy  
Medicaid Director

cc: Jerry Phillips, Undersecretary