



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL



April 16, 2012

OFFICE OF AUDIT SERVICES, REGION II
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Report Number: A-02-11-01009

Ms. Isuanet Castillo
Operational Executive Director
St. Luke's Episcopal Church Home Care Program
Edificio A Piso 4 #917
Avenida Tito Castro
Ponce, PR 00732

Dear Ms. Castillo:

Enclosed is the U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG), final report entitled *St. Luke's Episcopal Church Home Care Program-Juana Diaz Properly Claimed Medicare Reimbursement for Home Health Services*. We will forward a copy of this report to the HHS action official noted below.

Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site. Accordingly, this report will be posted at <http://oig.hhs.gov>.

If you have any questions or comments about this report, please direct them to the HHS action official. Please refer to report number A-02-11-01009 in all correspondence.

Sincerely,

/James P. Edert/
Regional Inspector General
for Audit Services

Enclosure

HHS Action Official:

Ms. Nanette Foster Reilly
Consortium Administrator
Consortium for Financial Management & Fee for Service Operations
Centers for Medicare & Medicaid Services
601 East 12th Street, Room 235
Kansas City, Missouri 64106

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**ST. LUKE'S EPISCOPAL CHURCH
HOME CARE PROGRAM-JUANA DIAZ
PROPERLY CLAIMED
MEDICARE REIMBURSEMENT FOR
HOME HEALTH SERVICES**



Daniel R. Levinson
Inspector General

April 2012
A-02-11-01009

Office of Inspector General

<http://oig.hhs.gov>

The mission of the Office of Inspector General (OIG), as mandated by Public Law 95-452, as amended, is to protect the integrity of the Department of Health and Human Services (HHS) programs, as well as the health and welfare of beneficiaries served by those programs. This statutory mission is carried out through a nationwide network of audits, investigations, and inspections conducted by the following operating components:

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Notices

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Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site.

OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

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.

INTRODUCTION

BACKGROUND

Medicare Program

Title XVIII of the Social Security Act (the Act), as amended, established Medicare, which provides health insurance coverage to people aged 65 and over, people with disabilities, and people with end-stage renal disease. The Centers for Medicare & Medicaid Services (CMS) administers the Medicare program. Under Part A of the Medicare program, beneficiaries are eligible to receive certain medical services at home. Such services include skilled nursing care, physical or occupational therapy, and home health aide services.

St. Luke's Episcopal Church Home Care Program-Juana Diaz

St. Luke's Episcopal Church Home Care Program is a private nonprofit organization that operates 14 facilities across Puerto Rico, including a facility in Juana Diaz, Puerto Rico that provides home health services throughout Juana Diaz and surrounding municipalities. The facility does business as St. Luke's Home Health Agency-Juana Diaz (Juana Diaz). Juana Diaz's claims are processed and paid by National Government Services (NGS), the Medicare administrative contractor. For the period January 1, 2009, through June 30, 2010, NGS paid home health claims submitted by Juana Diaz, totaling \$2,014,052.

Federal Requirements

Pursuant to 42 CFR § 409, to qualify for payment under Medicare, health services provided to a beneficiary in the home must be administered in accordance with a plan of care. Moreover, the plan of care must specify the type and frequency of services to be provided. Finally, the plan of care must be established, signed, and dated by a physician.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Our objective was to determine whether Juana Diaz claimed Medicare reimbursement for home health services in accordance with Federal requirements.

Scope

We reviewed claims for home health services provided by Juana Diaz during the period January 1, 2009, through June 30, 2010. We did not perform an overall assessment of Juana Diaz's internal control structure. Rather, we reviewed only the internal controls that pertained directly to our objective.

We conducted fieldwork at Juana Diaz's and St. Luke's Episcopal Church Home Care Program's offices in Ponce, Puerto Rico, and at physicians' offices and beneficiary residences throughout Puerto Rico from March through October 2011.

Methodology

To accomplish our objective, we:

- reviewed applicable Federal laws and regulations;
- obtained from the CMS National Claims History file a sampling frame of 1,250 Medicare Part A home health claims, totaling \$2,014,052, paid to Juana Diaz during the period January 1, 2009, through June 30, 2010;
- selected a simple random sample of 100 claims from the sampling frame and for each claim:
 - obtained and reviewed the plan of care and supporting documentation from Juana Diaz,
 - interviewed the physician that ordered the home health services,
 - interviewed the beneficiary that received the home health services, and
 - determined whether the claim complied with Medicare requirements; and
- discussed our results with Juana Diaz officials.

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.

RESULTS OF REVIEW

Juana Diaz claimed Medicare reimbursement for home health services in accordance with Federal requirements. As a result, this report contains no recommendations.