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## Report Highlights

# Louisiana Department of Health

Audit Control # 50160025

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### Why We Conducted This Audit

During a review of Louisiana Department of Health (LDH) Medicaid claims, LLA financial auditors found 52,120 of JABA Enterprises, LLC's (JABA) claims (19% of JABA's total claims, totaling \$2,664,220) were denied by LDH. Based on JABA's high rate of denied claims, LLA initiated this investigative audit.

### What We Found

#### Medicaid Services Not Provided

We reviewed time sheets and service logs completed by JABA employees and identified eight employees who appear to have recorded a total of 768 hours of personal care services they may not have provided. Independent records, including time sheets from JABA's employees' other employers, incarceration records, drivers' license photos, and/or employees' statements, indicate that the employees were not working for JABA during these hours. From July 2012 to September 2016, JABA billed the Louisiana Medicaid Program a total of \$11,090 for these hours. By recording hours for Medicaid services not provided, JABA employees may have violated State law. In addition, by billing Medicaid for services not provided, JABA may have violated its Medicaid provider agreements with LDH.

#### JABA Received Medicaid Reimbursements for Ineligible Direct Service Workers

During our audit, we matched New Opportunities Waiver (NOW) program recipient addresses to the addresses of their direct service workers (DSWs) and found several instances in which it appeared that the DSW lived in the same household as the recipient. According to the Louisiana Medicaid Program Provider Manual for the NOW waiver program, service may be provided by a member of the recipient's family, provided that the recipient does not live in the family member's residence and the family member is not the legally responsible relative. By allowing household members to provide services to NOW waiver program clients, JABA may have violated its provider agreements with LDH.

#### JABA Billed LDH for Medicaid Services without Prior Authorization

From January 2012 to June 2016, JABA submitted claims to Medicaid for services totaling \$1,325,807 without prior authorization and approval by the program. By submitting claims for services without prior authorization and approval, JABA may have violated its Medicaid provider agreements with LDH.

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## What We Found (Cont.)

### **Inadequate and/or Inaccurate Documentation of Services Provided**

During our audit, we reviewed JABA client files with the highest dollar amount of Medicaid claims from January 2012 to June 2016 and found several instances in which the documentation included in service logs was inadequate and/or inaccurate. To be eligible for reimbursement for NOW and LT-PCS services, Medicaid requires providers to complete service logs documenting the services performed. By failing to properly document services performed, JABA may have been improperly reimbursed for ineligible services.

### **JABA Not in Good Standing with State Agencies**

Records obtained from the Louisiana Secretary of State and the Louisiana Workforce Commission indicate that JABA was not in good standing with these agencies for failure to file periodic reports and/or remit amounts owed. State law and rules for Louisiana Medicaid providers require providers to be in good standing with State agencies in order to participate in commercial business operations with the state. By failing to maintain good standing with state agencies, JABA may be in violation of its Medicaid provider agreements with LDH.