



2020 Home Care Cost Report Audit Kickoff



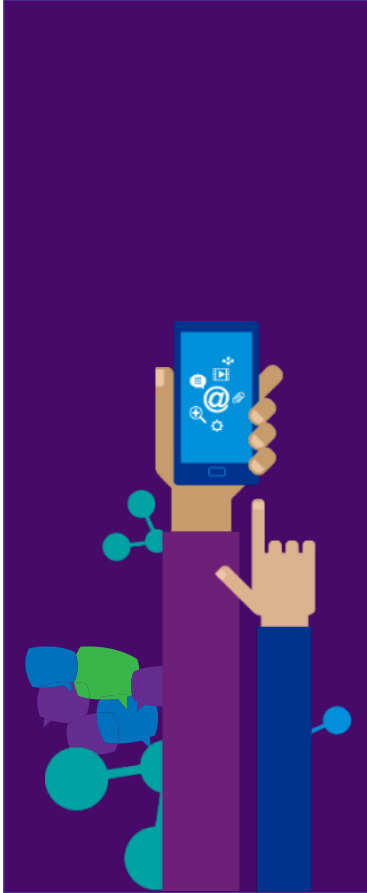
December 6, 2021



Outreach session protocols

Protocols

- Please note that participants will be on mute for the duration of the session.
- If you have questions during the presentation, please enter them via the Q&A feature in WebEx. DOH and KPMG will either answer the questions during this session or add the question and response to the list of FAQs, if applicable.
- Note that questions should be limited to Home Care Cost Report matters only.



Agenda

Topic	Speaker	Time
Timeline	DOH	5 minutes
Audit Process	KPMG	15 minutes
Web-based Tool (Audit/Questions tab)	KPMG	15 minutes
What if I get selected for field audit?	KPMG	10 minutes
Next Steps	KPMG	5 minutes
Q&A period	DOH/KPMG	10 minutes
	Total Time:	60 minutes

Timeline

Activity	Responsible party	Dates
Initial Statewide Outreach Session	DOH/KPMG	August 26, 2021
Monthly Provider Outreach Sessions*	DOH/KPMG	September 29, 2021 October 21, 2021 November 9, 2021
2020 Home Care Cost Report submissions are due in the Web-based Tool	Providers	November 15, 2021
Supporting documentation is due in the Secure File Transfer Protocol (SFTP) site	Providers	November 22, 2021
DOH and KPMG to notify the DOH-selected agencies that will undergo audit procedures	DOH/KPMG	Ongoing
DOH and KPMG to conduct an Audit Kickoff Webinar prior to the beginning of the audit process	DOH/KPMG/ Providers	December 6, 2021
KPMG to conduct audits of the Home Care Cost Report submissions	KPMG/Providers	December 2021 through February 2022
Lessons learned webinar to discuss successes, opportunities for improvement, and future year suggestions	DOH/KPMG/Providers	TBD

*PDFs and recordings of these sessions are available within the Instructions tab of the Web-based Tool, and on the DOH website at the following link: https://health.ny.gov/facilities/long_term_care/reimbursement/hccr/.



Audit Process

Auditee Selection

Items to Note

- The Department of Health selected the agencies that are subject to audit for the 2020 cost report year.
- If your agency has been selected by DOH for audit, you will receive an Audit Notification Package sent from KPMG (us-advrisknyshc@kpmg.com).
 - Please DO NOT send an email to the KPMG mailbox asking if your agency has been selected for audit, as this communication will be initiated by KPMG.
 - Once all Audit Notification Packages have been distributed, a message will be sent to all providers indicating that all messages have been sent.
- KPMG will conduct audit procedures from December 2021 to February 2022.



Audit Overview

Overview

— Audit goals:

- To review, analyze, test, and verify financial and statistical records to determine whether appropriate data was included in each agency's Home Care Cost Report submission
- To gain an understanding of Home Care agency data tracking and reporting systems.
- To promote uniform standards for data submission and collection.
- To improve compliance and reporting through training and outreach

— Audit scope:

- All agencies that submit a 2020 Home Care Cost Report may be subject to audit by KPMG.
- The audit will be a desk and field review of the CHHA, LHCSA, or FI entities operated by the agencies selected for audit by the Department.

— KPMG will conduct audit procedures in accordance with the Audit Program Guide (APG) that has been approved by DOH.

- The audit procedures will also be conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS)

<https://www.gao.gov/assets/700/693136.pdf>

Audit Notification Package

- The purpose of the Auditee Notification Package is to communicate details and set expectations in order to assist in your continued preparation for the Home Care Cost Report audit.
- The Audit Notification Package includes the following:
 - Audit timeline and process
 - Key phases of the audit
 - Data collection related protocols
 - Communications
 - Next steps, action items and key resources
 - Documentation requests details
 - Agency representation details

Key Phases of the Audit

Phase	Key milestones	Associated agency activities
Kickoff	<ul style="list-style-type: none"> — Auditree Notification — Planning/Pre-Fieldwork — Audit Related Webinars 	<ul style="list-style-type: none"> — Identify appropriate professionals to be involved in audit — Review audit related webinars posted in the Home Care Tool and attend the Audit Kickoff Webinar — Review and confirm agreement with Agency Representation Statement within the “Agency Representation” tab of the Home Care Tool.
Fieldwork	<ul style="list-style-type: none"> — Desk Audit Procedures — Field Audit Procedures (if applicable) 	<ul style="list-style-type: none"> — Resolve any data issues — Provide supporting documentation as requested by assigned auditors — Provide additional supporting documentation required for field audit procedures, if applicable — Respond to questions presented by audit team — Execute the required adjustments within the Adjusted Cost Report Schedules tab of the Tool if errors are identified during the Audit — Re-confirm Data Representation in the “Data Representation” tab of the Home Care Tool, if adjustments were submitted during the Audit — Review findings/adjustments before release of the Exit Dashboard



Key Phases of the Audit (continued)

Phase	Key milestones	Associated agency activities
Closeout	<ul style="list-style-type: none"> — Review and agree/disagree to Findings within the Potential Findings subtab, if applicable — Management Response, if applicable — Final Exit Dashboard 	<ul style="list-style-type: none"> — Review the Potential Findings subtab within the Audit/Questions tab of the Home Care Tool and select agree or disagree for each Potential Findings listed — Review the Exit Dashboard and provide management response to each finding and/or observation, if applicable — Signoff in the “Dashboard Signoff” section to finalize the Exit Dashboard

Audit Process

Data Collection and Protocols

Supporting documentation and inquiries:

- At this point, all supporting documentation that was used to complete the Home Care Cost Report should have been uploaded to the Secure File Transfer Protocol (SFTP) Site.
- Throughout the audit process, KPMG audit teams will follow-up with your agency requesting clarification/explanations for certain items or additional documentation to be submitted.
 - Regardless of the nature of the request, agencies are required to provide the requested information within **3 business days of the KPMG request.**
 - All additional supporting documentation should be uploaded via the SFTP Site.

Protocols:

- **Inability to provide complete data:** If an agency is unable to provide data in the format prescribed within the scope of the audit, a finding will be documented and shared with DOH.
- **Non-responsiveness:** If an agency does not provide a response to an audit request or is completely non-responsive, KPMG will send a follow-up email to the contacts noted within the Tool. If the agency does not respond to KPMG's follow-up within 3 business days, a finding will be documented and shared with DOH.
- NOTE: The data reported on the 2020 Home Care Cost Report, specifically on Schedules 3, 4, 5, and 7, will be used to set 2022 Medicaid reimbursement rates.
 - If adjustments are made throughout the audit process, DOH will use the adjusted (corrected) 2020 cost report data for 2022 rates.

Reminder...

Documentation Request Tab

Complete Supporting Documentation Check

- As you are now aware, there are a series of questions within each cost report schedule that must be answered (Schedule Specific Questionnaire). Two of these questions are related to supporting documentation:
 - The first question asks you to indicate which type of supporting documentation you used to complete that particular schedule (check all that apply).
 - The second question asks you to add the name of these supporting documents as well as the name of the crosswalk file that demonstrates the allocation methodology used.
- The supporting documentation names you enter will flow through to the Documentation Requests tab.
 - This tab was created in the Tool to serve as the central location where you can stay organized and see all of the documents that you will need to submit.
 - After your documents have been uploaded to the SFTP Site, **please mark the checkbox in the "Provided" column next to each document name to indicate that the file has been uploaded.**

Document Requests

This is a list of the documents that you should provide. This list consists of:

- Documents required from all providers
- Documents you identified in the Questionnaire and Data Input section
- Specific documents requested of you

Please upload the documents requested below to the KPMG SFTP site.

[Log in to the SFTP site](#)

Please use the following format to enter the file name, and mark it as "Provided" by marking the checkbox in the "Provided" column next to the document.

Please note, multiple documents can be uploaded to the SFTP site using a zip file. Each agency contact will have access to the agency's specific folder on the SFTP site. If you have multiple documents to upload for a single document request, enter each of the filenames in the space provided, separated by a ','.

The team will indicate when they have received the document and will give feedback as necessary in the respective comment column.

Document Requests from the Questionnaire

Request	File Name	Requested	Provided	Received
Question 3.2a	test	9/17/2020	<input type="checkbox"/>	10/28/2020
Question 3.2a	Test2.xls	9/17/2020	<input type="checkbox"/>	10/28/2020
Question F.2	Test	9/17/2020	<input type="checkbox"/>	10/28/2020

Reminder...

Agency Representation Statement

Submit the Agency Representation

- The intention of the agency representation statement is to verify that the information provided to KPMG through the 2020 Home Care Cost Report Tool and other means (electronic documentation submission via the SFTP site) is complete and accurate.
- The agency representations will be submitted electronically within the Tool in the Agency Representation tab.
 - The certification must come from an officer of the home care agency or a member of the home care agency's senior management team, as is the case for submission of the Home Care Cost Report itself. It is strongly recommended that this individual be the agency's CEO, CFO, VP of Finance, or equivalent.
- These representations are required to be submitted before the audit procedures begin and must be complete by the date outlined in the Audit Notification Package.

Instructions	Frequently Asked Questions (FAQ)	Reporting Hierarchy	Cost Report Schedules	General Questionnaire	Cost Report Submission	Documentation Requests	Adjusted Cost Report Schedules	Contact Information	Agency Representation	Audit / Questions	Data Representation	Engagement Status	Reporting
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The intention of the agency representation statement is to verify that the information provided to KPMG through the 2020 Home Care Cost Report Tool and other means (electronic documentation submission via the SFTP site) is complete and accurate. These representations will be submitted electronically within the Tool. It is not necessary to submit a hard copy. You will have the opportunity to agree or disagree with the representations within the Tool and provide comments; however, please note that disagreement with or failure to submit the representations will likely result in the noting of scope limitation in the final report.

The Department requires that the certification included as part of the Home Care Cost Report 2020 Audit Tool must come from an officer of the home care agency or a member of the home care agency's senior management team, as is the case for submission of the Home Care Cost Report itself. It is strongly recommended that this individual be the agency's CEO, CFO, VP of Finance, or equivalent.

We at Test Organization 2 confirm, to the best of our knowledge and belief, the following representations as they relate to the Home Care Cost Report Audit for Report Year 2020:

1. We have read and understand the timeline, home care agency responsibilities and protocols outlined in the Home Care Agency notification package.
2. Information and data provided to KPMG LLP (KPMG) as part of the Home Care Cost Report Audit and other submissions are complete and accurate.
3. To the extent the Agency has uncovered any illegal acts or fraud we have provided you a summary of the impact of such activity to the Agency.
4. To the extent available we have provided you a copy of any reports (internal audit, etc.) that have been completed during the 2020 cost report year and for the 12 months prior.
5. For the period under audit, we have made available to you the requested financial records, reports and related data as instructed.
6. Detailed support exists for the amounts reported in the Home Care Cost Report and can be provided upon request, if not already done so.
7. Except as disclosed to you in writing, there have been no communications from the New York State Department of Health, or other regulatory agencies, concerning rulings made by The Department and/or noncompliance with, or deficiencies in, our Home Care Cost Report submissions.
8. There were no significant deficiencies, material weaknesses, or management letter comments noted that relate to the system(s) or process(es) that support the Home Care Cost Report submissions presented by the Test Organization 2 independent auditors for the period covered by this audit.
9. We believe that the effects of any data or documentation not provided as part of this request were not pertinent to KPMG's audit effort.

Further, we confirm that we are responsible for the fair representation and provision of the items requested by KPMG, and if throughout the conduct of this audit any matter comes to my attention that would alter any of the representations made, I will contact you to discuss the matter.

Please provide the name and title of the official taking responsibility for the confirmation

Name: Title:

Please respond accordingly.

I agree with the assertions above.

I do not agree with the assertions above and take exception as noted below.

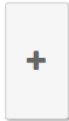
Reminder...

Contact Information Tab

Enter Contact information

- In the Contact Information tab of the Web-based Tool, add in the contact information for all of the individuals responsible for making audit-related decisions and responding to inquiries.
 - These individuals can be the same people who are listed in the Reporting Hierarchy section, but please be sure to make it clear in the Contact Information tab who from the agency will be involved in the audit process.
- **Note:** The individuals entered in the Contact Information tab will receive email notifications whenever an inquiry or comment is posted within the Tool. Therefore, it is critical that all the individuals who will be responsible for responding to the audit team inquiries are listed in this tab.

Team Contacts
If you have any questions or concerns regarding the tool, Requested Documents, Questionnaire, or the timeline, please contact the KPMG Home Care Team at support@avii.com.

	Agency Contacts
	
	KPMG Contacts
	Home Care Contacts

Communications

Communication Information

Audit Kick-Off:

- Upon commencement of the audit, you will receive an introduction communication from the KPMG audit team assigned to your agency.
- Once this communication is received, you will be able to reach out to the audit team via email with any particular questions about getting started with the process.

Communication methods:

- Once the audits begin, the vast majority of communications will be conducted within the Web-based Tool.
- Specifically, communications between the agencies and the audit teams will occur within the **Audit/Questions** tab. This tab is comprised of the following subtabs:
 - Documentation Requests Follow-up
 - Financial Statement Follow-up
 - General Questionnaire Follow-up
 - Direct Care Follow-up
 - Program Administration Follow-up
 - Service Statistics Follow-up
 - Potential Findings
 - Provider Questions

Web-based Tool (Audit/Questions Tab)

Audit/Questions Tab Structure

New York State Department of Health
Home Care Tool 2020

Test Organization 2 [Log out]

Instructions | Frequently Asked Questions (FAQ) | Reporting Hierarchy | Cost Report Schedules | General Questionnaire | Cost Report Submission | Documentation Requests | Adjusted Cost Report Schedules | Contact Information | Agency Representation | **Audit / Questions** | Data Representation | Reporting

Audit/Questions

- Documentation Requests Follow-up
- Financial Statement Follow-up**
- General Questionnaire Follow-up
- Direct Care Follow-up
- Program Administration Follow-up
- Service Statistics Follow-up
- Potential Findings
- Provider Questions

Sort... | Filter... | Clear Filter

Financial Statement

Manager Sign-off: -- Choose an item --
Senior Sign-off: -- Choose an item --

CHHA Total Entity Costs	
Total Entity Costs Per Cost Report	310.00
Total Entity Costs Per Supporting Documentation	<input type="text" value="305.00"/>
Variance %	-1.61 %
Variance (Dollars)	-5.00

LHCSA Total Entity Costs	
Total Entity Costs Per Cost Report	15.00
Total Entity Costs Per Supporting Documentation	<input type="text" value="0.00"/>
Variance %	-100.00 %
Variance (Dollars)	-15.00

Documentation Requests Follow-up

- The Documentation Requests Follow-up subtab is the location where audit teams can add requests for missing and/or additional documentation.
- Agencies should submit all requested documentation to the SFTP site within the requested timeframe of 3 business days.

Audit/Questions

Documentation Requests Follow-up

Please upload all requested documents to the SFTP site by clicking on the "Log In to the SFTP Site" button. Please refer to the SFTP site section within the Questionnaire & Data Input tab for additional guidance on using the SFTP site.

[Add Documentation Request...](#) [SFTP Site](#)

IFC Item Summary	Documentation request:
IFC Number: 1 Last updated: 11/11/2020 Created: 11/10/2020 Status: Open Requested By: KPMG	We do not see the following documentation: 1. XYZ 2. XYZ

File name:

Actions

Viewable by Provider
 Viewable by Department
 Documentation Submitted

KPMG Comments/Conclusions:

Potential Findings: **Finding 1**

Open Closed

[Add Comment...](#)

[Add Documentation Request...](#) [SFTP Site](#)

Sort...
Filter...
Clear Filter

Financial Statement Follow-up

Background and Purpose

- The Financial Statement Follow-up subtab is the location where the financial statement test step procedures and agency follow-up will occur.
- The information being reviewed during this procedure is derived from Schedule 3 (summation of Column 001 [Total Entity Costs]) for each provider type (CHHA, LHCSA, and/or FI).
- Follow-ups from audit teams may be related to the following:
 - Supporting documentation submitted (or lack thereof)
 - Discrepancies between what was reported on the cost report versus the information found in the supporting documentation
- Communication between the audit team for related issues will occur directly in the Financial Statement Follow-up subtab (blue and yellow communication boxes).

Financial Statement	
CHHA Total Entity Costs	
Total Entity Costs Per Cost Report	310.00
Total Entity Costs Per Supporting Documentation	400.00
Variance %	29.03 %
Variance (Dollars)	90.00

#1 - KPMG user ryanmcgrath@kpmg.com - 21 minutes ago
Test Inquiry to Provider
#2 - Provider Test_Provider2@avii.com - less than a minute ago
Test Response back to KPMG

[Add Comment...](#)

General Questionnaire Follow-up

Background and Purpose

- The General Questionnaire Follow-up subtab is the location where the General Questionnaire test step procedures and follow-up will occur.
- The information being reviewed during this procedure is derived from the responses provided in the General Questionnaire tab.
- Follow-ups from audit teams will be related to the questions flagged in the General Questionnaire Follow-up subtab.
- Communication between the audit team for related issues will occur directly in the General Questionnaire Follow-up subtab (blue and yellow communication boxes).

Direct Care Follow-up

Background and Purpose

- The Direct Care Follow-up subtab is the location where the Direct Care test step procedures and follow-up will occur
- The information being reviewed during this procedure is derived from the following Schedule 3 columns for each provider type (CHHA, LHCSA, and/or FI):
 - Program Aide (Direct Care)
 - Program RN Supervision/Assessment (Direct Care)
 - Program Staff Training
 - Transportation
 - Contracted Purchased Services
 - Other
- Follow-ups from audit teams may be related to the following:
 - Supporting documentation submitted (or lack thereof)
 - Discrepancies between what was reported on the cost report versus the information found in the supporting documentation
 - Allowable nature of the information being reported
- Communication between the audit team for related issues will occur directly in the Direct Care Follow-up subtab (blue and yellow communication boxes).

LHCSA Direct Care Costs (Schedule 3b)							
	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services	Other	
Total Costs Per Cost Report	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Total Costs Per Supporting Documentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Variance %	-100.00 %	-100.00 %	-100.00 %	-100.00 %	-100.00 %	-100.00 %	-100.00 %
Variance (Dollars)	-25.00	-25.00	-25.00	-25.00	-25.00	-25.00	-25.00

#1 - KPMG user ryanmcgrath@kpmg.com - 2 minutes ago
Test Inquiry to Provider
#2 - Provider Test_Provider2@evii.com - less than a minute ago
Test Response to KPMG
Add Comment...

Program Administration Follow-up

Background and Purpose

- The Program Administration Follow-up subtab is the location where the Program Administration test step procedures and follow-up will occur
- The information being reviewed during this procedure is derived from the following Column 004 (Program Administration) of Schedule 4 for each provider type (CHHA, LHCSA, and/or FI):
- Follow-ups from audit teams may be related to the following:
 - Supporting documentation submitted (or lack thereof)
 - Discrepancies between what was reported on the cost report versus the information found in the supporting documentation
 - Allowable nature of the information being reported
 - Connectivity between Schedule 3 Column 004 (Program Administration) and Schedule 4 Column 004 (Program Administration)
- Communication between the audit team for related issues will occur directly in the Program Administration Follow-up subtab (blue and yellow communication boxes).

FI Program Administration Costs (Schedule 4c)	
	Program Administration
Total Costs Per Cost Report	0.00
Total Costs Per Supporting Documentation	<input type="text" value="0"/>
Variance %	0.00 %
Variance (Dollars)	0.00

#1 - KPMG user ryanmcgrath@kpmg.com - 7 minutes ago
Test Inquiry to Provider

#2 - Provider Test_Provider2@avii.com - less than a minute ago
Test Response to KPMG

Add Comment...

Service Statistics Follow-up

Background and Purpose

- The Service Statistics Follow-up subtab is the location where the Service Statistics test step procedures and follow-up will occur
- The information being reviewed during this procedure is derived from the service type rows of Schedule 5 for each provider type (CHHA, LHCSA, and/or FI):
- Follow-ups from audit teams may be related to the following:
 - Supporting documentation submitted (or lack thereof)
 - Discrepancies between what was reported on the cost report versus the information found in the supporting documentation
 - Allowable nature of the information being reported
- Communication between the audit team for related issues will occur directly in the Direct Care Follow-up subtab (blue and yellow communication boxes).

CHHA Pediatric Service Statistics (Schedule 5a.1)					
	Home Health Aide (Hours)	Physical Therapy (Visits)	Occupational Therapy (Visits)	Nursing (Visits)	Speech (Visits)
Total Visits/Hours Per Cost Report	104.00	5.00	5.00	5.00	5.00
Total Visits/Hours Per Supporting Documentations	0.00	0.00	0.00	0.00	0.00
Variance %	-100.00 %	-100.00 %	-100.00 %	-100.00 %	-100.00 %
Variance (Dollars)	-104.00	-5.00	-5.00	-5.00	-5.00

#1 - KPMG user ryanmcgrath@kpmg.com - 12 minutes ago
Test Inquiry to Provider

#2 - Provider Test_Provider2@avii.com - less than a minute ago
Test Response to KPMG

Audit Adjustments

Adjustments

— There may be instances where errors are identified and adjustments to the cost report are necessary to correct the error during the audit process.

— Audit adjustments will be handled in one of the following two ways:

1. Large, multi-cell and/or multi-schedule adjustments are needed

- If review procedures are conducted and it is determined that there are errors in the way information was reported that would lead to multiple adjustments across several column/rows/schedules, the Audit Team will request that the agency make adjustments to the cost report.
- In this situation, KPMG will send a detailed adjustment communication to the agency outlining the adjustments to be made. KPMG will also set up a phone call or meeting with the agency to walk through the communication and requested adjustments.
- The agency will then be required to complete and submit the requested adjustments within the “Adjusted Cost Report Schedules” tab of the Tool. Agencies will have two weeks upon receipt of the adjustment request to submit the requested adjustments in the Tool.

2. Minor adjustments are needed

- If review procedures are conducted and it is determined that only a small adjustment is necessary, the Audit team may make the adjustment directly in the Tool, with the agency’s permission.

— If adjustments are made during the audit process, the adjusted cost report data will be used for rate setting, not the original data.

— **NOTE:** If an adjusted cost report is submitted, the agency will be required to submit the “Data Representation Statement” to certify that all data entered in the “Adjusted Cost Report Schedules” tab and provided in the adjusted supporting documentation is accurate to the best of their knowledge.

Potential Findings

Potential Findings

Overview:

- Any potential findings, subfindings, and observations identified by the audit teams will be located in the Potential Findings subtab.
- Audit **findings** are the result of issues identified during audit procedures, such as:
 - Insufficient supporting documentation
 - Misreporting of allowable vs. non-allowable costs
 - Discrepancies between supporting documentation and the data reported on the cost report
- Each finding has corresponding Audit **subfindings**, which provide a greater level of detail on the issue resulting in the finding.
- **Observations** do not represent audit findings, but reflect items that KPMG and DOH believe would help educate the Home Care agency and increase reporting compliance in future Home Care Cost Report years.
- Findings will quantify the value of the impact for the identified issue (e.g., \$50,000 worth of non-allowable costs were reported as allowable costs), whenever possible.
 - This will allow audit teams and agencies to both fully understand the issue so an appropriate adjustment can be made if necessary.
 - NOTE: Findings may be qualitative if the audit team is unable to quantify the issue with the supporting documentation provided.

Exit Dashboard

Exit Dashboard

The Exit Dashboard lists all of the findings, subfindings, and observations noted throughout the Audit, along with a detailed description of the condition that drove each.

Agencies will be given 5 business days after receipt of the dashboard to provide a management response to the findings.

- If no management response is provided within that timeframe, then the final dashboard will be provided to the Department of Health without a management response.
- The goal is to have all questions resolved before they hit the Exit Dashboard, as the Exit Dashboard will be final. As such, please try to resolve any questions regarding findings noted in the Potential Findings tab during the audit and not during the Exit Dashboard process.

Exit Dashboard - 2019 Data Year as of 11/22/2021

Agency Name	Test Organization 2
Subtest File ID Number	12-123456
Number of CHHA Entities	2
Number of LHCSA Entities	1
Number of FI Entities	1
Desk / Field Audit	Desk

This Exit Dashboard (Dashboard) presents the results of the Home Care Cost Report Audit for Report Year 2019 for the agency named above. The audit was conducted on behalf of the State of New York, Department of Health (the Department) by KPMG LLP (KPMG). The audit results presented herein are as of the date of this dashboard and include the following information:

- **Summary of Findings and Observations:** Presents findings and/or observations identified during the Home Care Cost Report audit, including the cost report schedule and/or audit tab for which the finding relates, and the specific condition giving rise to the finding. Where applicable, detail is provided related to the adjustments made to the Home Care Cost Report submission as a result of the audit process. In addition, the findings indicate whether or not the necessary adjustments were properly executed.

For each finding noted, the agency has the opportunity to present a Management Response and Corrective Action Plan in the space provided. Please provide a response to each finding and/or observation and submit to KPMG by entering the name and title of the agency representative taking responsibility for the audit on behalf of the agency and selecting the "submit" button at the bottom of this page. This individual should be the person with overall responsibility for the Home Care Cost Report audit on behalf of the agency and is not necessarily the person who completed the Home Care Cost Report submission; it is strongly recommended that this individual be the agency's CEO, CFO, VP of Finance, or equivalent. All responses must be submitted within five days of receipt of this dashboard.

All responses provided by management will be included as is in the final version of the Exit Dashboard to be provided to the Department. Any questions or concerns related to the information presented in the Dashboard must be communicated to KPMG by the agency within five business days at which time the information presented, and any corresponding management response(s), will be considered final. If your agency disagrees with a finding contained within this Exit Dashboard, please notify your audit team immediately so the issue can be addressed and escalated to the Department as required. Should these findings change based on final review by the Department or KPMG, the agency will be notified.

Before providing a Management Response and Corrective Action Plan, please read the below excerpt from Public Health Law §3612(b) and Social Services Law §365-f(4-a):

- Public Health Law §3612(b): "The commissioner may require a health home or licensed home care services agency to report on the costs incurred by the health home or licensed home care services agency in rendering health care services to Medicaid beneficiaries. The department of health may specify the frequency and format of such reports, determine the type and amount of information to be submitted, and require the submission of supporting documentation."
- Social Services Law §365-f(4-a): "The commissioner may require a fiscal intermediary to report on the direct care and administrative costs of personal assistance services as accounted for by the fiscal intermediary. The department may specify the frequency and format of such reports, determine the type and amount of information to be submitted, and require the submission of supporting documentation."

Procedures performed did not constitute an audit of financial statements in accordance with Government Auditing Standards or U.S. Generally Accepted Auditing Standards. KPMG was not engaged to, and did not, render an opinion on the agency's internal controls over financial reporting or over financial management systems. The results of the audit procedures performed will be described in a single, statewide report to the Department; a standalone agency-specific report will not be issued as part of this audit.

On behalf of the Department and KPMG, we thank you for your continued support and commitment. If you have any questions, please contact your KPMG engagement team via phone or by email.

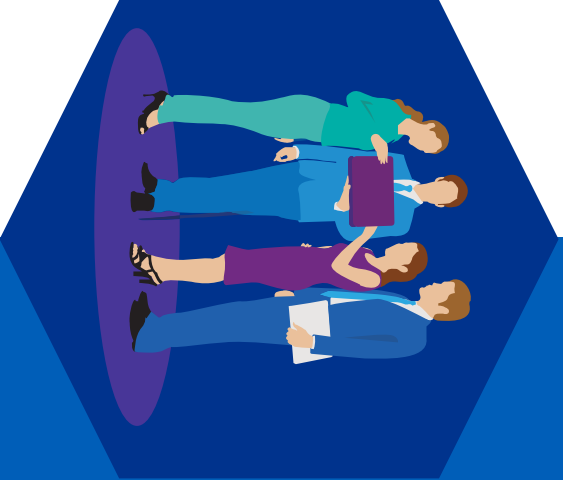
Summary of Findings:

Finding	Subfinding	Comment	Location	Agreement	Management Response
12. Improper reporting of Service Statistics: Agencies are required to follow requirements from the Department of Health related to the submission of cost reports. The 2019 Home Care Cost Report instructions provide guidance for the correct Service Statistics reporting methodology.	c. An adjustment to the cost report was required as a result of the agency reporting FI units of service in the incorrect service type category (Schedule Sci). The adjustment was properly executed during audit procedures.	KPMG Finding Note	Document, Request Documentation, Request Language	No Answer Yet	<input type="text"/>

What if I am selected for
field audit procedures?

Field audit procedures

- During the 2019 Home Care Cost Report Audit, no “field” audit procedures were conducted. As we move into Year 2, DOH is selecting a portion of the agencies undergoing audit procedures for additional field audit procedures.
- Field audit procedures will include a more in-depth set of audit procedures that will be completed in addition to the standard “desk” audit procedures. These procedures will require the agency to provide additional information and documentation to KPMG for review.
 - Note that “field audit” does not imply that we will be physically going to the agency site. We expect all audit procedures to continue to be performed remotely for the 2020 cost report year.
- If your agency is selected for field audit procedures, you will be receiving a communication from your assigned KPMG audit team over the coming week.
 - This communication will detail all necessary next steps, including the additional documentation required to be provided for field audit procedures.
 - Note that agencies will have 2 weeks after receiving this communication to upload the requested documentation to the Secure File Transfer Protocol (SFTP) Site.



Field audit procedures (continued)

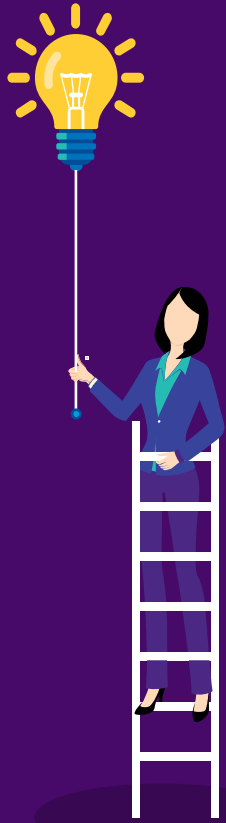
- Field audit procedures will be conducted for **direct care (Schedule 3), program administration (Schedule 4), and service statistics (Schedule 5)**.
- If your agency is selected for audit procedures, you will be asked to provide the additional documentation listed below:
 1. Transaction detail (general ledger detail) for any contracted services expense reported on Schedule 3, in the “Contracted Purchased Services” Column (009).
 2. Transaction detail for advertising/marketing costs and Workers’ Recruitment and Retention (WR&R) Costs.
 3. Year-to-date (YTD) payroll registers and employee listing that includes job titles.
 4. Patient level statistical data reports that were used to complete Schedule 5.
- We encourage all 2020 auditees to begin compiling this documentation so that they are prepared in the event that they are selected for 2020 field audit procedures.



Next Steps

Next steps

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1. If you have not already received one, be on the lookout for an Audit Notification Package that would be sent from us-advrisknyshc@kpmg.com (will only be sent to agencies selected for audit).
2. Enter contact information in the Contact Information tab of the Tool. Be sure to include the following for each individual who should receive information related to the audit process:
 - Individual's first and last name
 - Title
 - Phone number
 - Email
3. Complete the supporting documentation check within the Documentation Requests tab of the Web-based Tool.
4. Submit agency representation via the Home Care Cost Report Tool (Agency Representation tab) by the date communicated in the Audit Notification Package (further details are also covered in the notification package).
5. Please be on the lookout for an introduction communication from your assigned KPMG audit team.
6. Respond to inquiries from the KPMG team throughout the duration of the audit
7. Send any general questions related to the audit to us-advrisknyshc@kpmg.com. Audit specific communication should be conducted within the Tool or via email directly with your assigned auditors.
8. Once all Audit Notification Packages have been distributed, a message will be sent to all providers indicating that all auditees have been notified.

Q&A Period

Thank You



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