



# Home Care Cost Report December Outreach Session



December 2, 2020



# 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
Remaining Timeline Activity	DOH	5 minutes
Audit Process	KPMG	15 minutes
Web-based Tool (Audit/Questions Tab)	KPMG	20 minutes
Q&A Period	DOH/KPMG	10 minutes
		<b>Total Time: 50 minutes</b>

# Remaining Timeline Activities

Activity	Responsible Party	Dates
KPMG to conduct audits of the Home Care Cost Report submissions	KPMG/Providers	Current through February 2021
Lessons learned webinar to discuss successes, opportunities for improvement, and future year suggestions	DOH/KPMG/Providers	March 2021

# Audit Process

# Auditee Selection

## Items to Note:

- The Department of Health selected the agencies that are subject to audit for the 2019 cost report year.
- If your agency has been selected by DOH for audit, you will receive an Agency Notification Package sent from KPMG ([us-advrisknyshc@kpmg.com](mailto:us-advrisknyshc@kpmg.com)).
  - Note that some Agency Notification Packages have already been sent to agencies and the remainder will follow shortly.
  - 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 Agency Notification Packages have been distributed, a message will be sent to all providers indicating that all messages have been sent.

# Agency Notification Package

- The purpose of the Agency 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 Agency Notification Package includes the following:
  - Audit timeline and process
  - Key phases of the audit
  - Data collection related protocols
  - Communications
  - Next steps and action items
  - Documentation requests details
  - Agency representation details

# Key Phases of the Audit

Phase	Key milestones	Associated agency activities
Kickoff	<ul style="list-style-type: none"> <li>— Auditee Notification</li> <li>— Planning/Pre-Fieldwork</li> <li>— Audit Related Webinars</li> </ul>	<ul style="list-style-type: none"> <li>— Identify appropriate professionals to be involved in audit</li> <li>— Review audit related webinars posted in the Home Care Tool</li> <li>— Agree to Agency Representation Statement</li> </ul>
Fieldwork	<ul style="list-style-type: none"> <li>— Desk Audit Procedures</li> </ul>	<ul style="list-style-type: none"> <li>— Help resolve any data issues</li> <li>— Provide supporting documentation as requested by assigned auditors</li> <li>— Respond to questions presented by audit team</li> <li>— Execute any necessary audit adjustments in the Tool</li> <li>— Review findings/adjustments before release of the Exit Dashboard</li> </ul>
Closeout	<ul style="list-style-type: none"> <li>— Preliminary Exit Dashboard</li> <li>— Provider Response, if applicable</li> <li>— Final Exit Dashboard</li> </ul>	<ul style="list-style-type: none"> <li>— Review and provide management response on the Exit Dashboard, if applicable</li> <li>— Update certification on the Agency Representation Statement</li> </ul>



# 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.

# Documentation Requests Tab

## Overview:

- 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.
  - Note that the supporting documentation names you entered 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 should have submitted to the SFTP Site.
    - After you uploaded your documentation to the SFTP Site, you should have marked the checkbox in the "Provided" column next to each document name to indicate that the file has been uploaded.
- **Please complete this step immediately if you have not done so already.**

### 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 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

# Communications

## Identify primary contact:

- 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.

## Audit Kick-Off:

- Upon commencement of the audit, you will receive a 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

# Agency Representation Statement

- The intention of the agency representation statement is to verify that the information provided to KPMG through the 2019 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 in the Agency Representation tab.
  - The certification included as part of the Home Care Cost Report 2019 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.
  
- These representations are required to be submitted before the audit procedures begin and must be completed by the date outlined in the Agency Notification Package.

# Web-based Tool (Audit/Questions Tab)

# Audit/Questions Tab Structure

New York State Department of Health  
Home Care Tool

Test Organization 2 [Log out]

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

CHHA Total Entity Costs	
Total Entity Costs Per Cost Report	310.00
Total Entity Costs Per Supporting Documentation	<input type="text" value="400.00"/>
Variance %	29.03 %
Variance (Dollars)	90.00

#1 - KPMG user ryanmcgrath@kpmg.com - 10 minutes ago  
Test Inquiry to Provider

Add Comment...

LHCSA Total Entity Costs	
Total Entity Costs Per Cost Report	202.00
Total Entity Costs Per Supporting Documentation	<input type="text" value="0.00"/>
Variance %	-100.00 %
Variance (Dollars)	-202.00

Add Comment...

FI Total Entity Costs	
Total Entity Costs Per Cost Report	134.00
Total Entity Costs Per Supporting Documentation	<input type="text" value="0.00"/>
Variance %	-100.00 %
Variance (Dollars)	-134.00

Add Comment...

Total Agency Costs	
Total Entity Costs Per Cost Report	646.00

# 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

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:

Add Comment...

**Actions**

Viewable by Provider  
 Viewable by Department  
 Documentation Submitted

KPMG Comments/Conclusions:

Potential Findings: Finding 1

Open  Closed

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	<input type="text" value="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
Total Costs Per Supporting Documentation	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 %
Variance (Dollars)	-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@avii.com - less than a minute ago  
Test Response to KPMG

# 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

# Potential Findings

## Overview:

- Any potential findings identified by the audit teams will be located in the Potential Findings subtab.
  
- These finding 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).
  - This will allow audit teams and agencies to both fully understand the issue so an appropriate adjustment can be made if necessary.
  
- The findings will be the result of the audit procedures and can be related to items such as the following:
  - Insufficient supporting documentation
  - Misreporting of allowable vs. non-allowable costs
  - Discrepancies between supporting documentation and the data reported on the cost report

# Exit Dashboards

## Overview:

- The Exit Dashboard consists of any adjustments noted as a result of the audit as well as a listing of audit findings with the condition that drove each finding.
  
- Agencies will be given a period of time 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 issues resolved before they hit the Exit Dashboard. As such, please try to resolve any issues during the audit and not during the Exit Dashboard process. Timely communication is particularly important during this phase of the audit process.

# Next Steps and Action Items

- If you have not already done so, 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
  
- Be on the lookout for an Agency Notification Package that would be sent from [us-advrisknyshc@kpmg.com](mailto:us-advrisknyshc@kpmg.com) (will only be sent to agencies selected for audit).
  - Once all Agency Notification Packages have been distributed, a message will be sent to all providers indicating that all messages have been sent.
  
- Submit agency representation via the Home Care Cost Report Tool (Agency Representation tab) **by the date communicated in the Agency Notification Package** (further details are also covered in the notification package)
  
- Respond to inquiries from the KPMG team throughout the duration of the audit
  
- Send any general questions related to the audit to [us-advrisknyshc@kpmg.com](mailto:us-advrisknyshc@kpmg.com). Audit specific communication should be conducted within the Tool or via email directly with your assigned auditors.

Q&A Period



Thank You



[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

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