

**DEPARTMENT OF DEVELOPMENTAL SERVICES'**  
**AUDIT OF**  
**MAYA BORNA, INC.**

**Programs and Services:**

Early Start Specialized Therapeutic Services – PE2537, PW6902, PW8017  
Infant Development Program – HL0796, HL0797, HL0798, HL0801, HW0725  
Speech Pathology – PL1457, PL1592

**Audit Period:**

Audit Period: July 1, 2019, through June 30, 2021

**Audit Section**

**Auditors:** Alimou Diallo, Chief of Vendor Audit Unit  
Ermias Tecele, Supervisor  
Angie Huang, Auditor

# MAYA BORNA, INC.

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## EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited Maya Borna, Inc. (MBI). The audit was performed upon the Early Start Specialized Therapeutic Services (ESSTS), Infant Development Program (IDP), and Speech Pathology (SP) for the period of July 1, 2019, through June 30, 2021.

The audit disclosed the following issues of non-compliance:

### **Finding 1: Early Start Specialized Therapeutic Services – Unsupported Billings**

The review of MBI's ESSTS program, Vendor Numbers PE2537, PW6902, and PW8017, revealed that MBI had a total of \$3,861 of unsupported billings to Westside Regional Center (WRC).

### **Finding 2: Infant Development Program – Unsupported Billings**

The review of MBI's IDP program, Vendor Numbers HL0796, HL0797, HL0798, HL0801, and HW0725, revealed that MBI had a total of \$1,119 of unsupported billings to North Los Angeles County Regional Center (NLACRC)

### **Finding 3: Infant Development Program – Overbillings**

The review of MBI's IDP program, Vendor Numbers HL0796, HL0797, HL0798, HL0801, and HW0725, revealed that MBI had a total of \$1,009 of overbillings to NLACRC.

### **Finding 4: Early Start Specialized Therapeutic Services – Overbillings**

The review of MBI's ESSTS program, Vendor Numbers PE2537, PW6902, and PW8017, revealed that MBI had a total of \$790 of overbillings to WRC.

The total of the findings identified in this audit amounts to \$6,779, which is due back to DDS. A detailed discussion of these findings is contained in the Findings and Recommendations section of this report.

## **BACKGROUND**

DDS is responsible, under the Lanterman Developmental Disabilities Services Act, for ensuring that persons with developmental disabilities receive the services and supports they need to lead more independent, productive and normal lives. DDS contracts with 21 private, nonprofit regional centers that provide fixed points of contact in the community for serving eligible individuals with developmental disabilities and their families in California. In order for regional centers to fulfill their objectives, they secure services and supports from qualified service providers and/or contractors. Pursuant to the Welfare and Institutions (W&I) Code, Section 4648.1, DDS has the authority to audit those service providers and/or contractors that provide services and supports to persons with developmental disabilities.

## **OBJECTIVE, SCOPE AND METHODOLOGY**

### **Objective**

The audit was conducted to determine whether MBI's programs were compliant with the W&I Code, California Code of Regulations (CCR), Title 17, State and Federal laws and regulations and the regional centers' contracts with MBI for the period of July 1, 2019, through June 30, 2021.

### **Scope**

The audit was conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. The auditors did not review the financial statements of MBI, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of MBI's internal controls to gain an understanding of the transaction flow and invoice preparation process, as necessary, to develop appropriate auditing procedures. The audit scope was limited to planning and performing audit procedures necessary to obtain reasonable assurance that MBI complied with W&I Code and CCR, Title 17. Any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were also reviewed and addressed during the course of the audit.

The audit scope was determined by reviewing the programs and services provided to three regional centers that utilized MBI's services during the audit period. DDS audited services provided to Eastern Los Angeles Regional Center (ELARC), NLACRC, and WRC. These three regional centers were chosen due to the large volume of services utilized by the centers as measured by purchase of service (POS) expenditures.

MBI provided five different types of services, of which DDS audited three. Services chosen were based on the amount of POS expenditures invoiced by MBI. By analyzing the information received during a pre-audit meeting with the vendor, an internal control questionnaire and a risk analysis, it was determined that a two-month sample period would be sufficient to fulfill the audit objectives.

### **Early Start Specialized Therapeutic Services**

During the audit period, MBI operated five ESSTS programs. The audit included the review of three of MBI's ESSTS programs, Vendor Numbers PE2537, PW6902, and PW8017, Service Code (SC) 116. Testing was conducted for the sampled months of January 2020 and December 2020.

### **Infant Development Program**

During the audit period, MBI operated 10 IDP programs. The audit included the review of five of MBI's IDP program, Vendor Numbers HL0796, HL0797, HL0798, HL0801, and HW0725, SC 805 and testing was conducted for the sampled months of January 2020 and December 2020.

### **Speech Pathology**

During the audit period, MBI operated four SP programs. The audit included the review of two of MBI's SP program, Vendor Numbers PL1457 and PL1592, SC 707 and testing was conducted for the sampled months of January 2020 and December 2020.

### **Methodology**

The following methodology was used by DDS to ensure the audit objectives were met. The methodology was designed to obtain a reasonable assurance that the evidence provided was sufficient and appropriate to support the findings and conclusions in relation to the audit objectives. The procedures performed included, but were not limited to, the following:

- Reviewed vendor files for contracts, rate letters, program designs, POS authorizations and correspondence pertinent to the review.
- Interviewed regional center staff for vendor background information and to obtain insight into the vendor's operations.
- Interviewed vendor staff and management to gain an understanding of the vendor's accounting procedures and processes for regional center billing.
- Obtained and reviewed the vendor's internal control questionnaire.
- Reviewed vendor service/attendance records to determine if the vendor had sufficient and appropriate evidence to support the direct care services billed to the regional centers.
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

- Obtained and reviewed vendor staff's credentials/licenses to determine if vendor's staff meet the credentials/licenses requirements.

## **CONCLUSION**

Based upon items identified in the Findings and Recommendations section, MBI had findings of non-compliance with the requirements of CCR, Title 17.

## **VIEWS OF RESPONSIBLE OFFICIALS**

DDS issued a draft audit report on August 26, 2022. The findings in the report were discussed at an exit conference via ZOOM telephone conference with MBI on August 30, 2022. MBI was afforded the opportunity to respond to the draft audit. However, MBI did not submit a response to the draft audit report within the 30-day response period.

## **RESTRICTED USE**

This report is solely for the information and use of DDS, Department of Health Care Services, ELARC, NLACRC, WRC and MBI. This restriction is not intended to limit distribution of this report, which is a matter of public record.

## FINDINGS AND RECOMMENDATIONS

### Finding 1: Early Start Specialized Therapeutic Services – Unsupported Billings

The review of MBI's ESSTS program, Vendor Numbers PE2537, PW6902, and PW8017, for the sampled months of January 2020 and December 2020, revealed that MBI had unsupported billings for services billed to WRC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to WRC and non-compliance with the CCR, Title 17.

DDS reviewed the direct care service hours documented on the Client Monthly Service Records (CMSR) and compared those hours to the direct care service hours billed to WRC. DDS noted that the direct care service hours on the CMSRs which were reconciled to payroll were 37 hours less than the direct care service hours billed to WRC. MBI was not able to provide appropriate supporting documentation for 37 hours of services billed. The lack of documentation resulted in unsupported billings to WRC in the amount of \$3,861, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

- “(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:
- (1) The services were not provided in accordance with the regional center’s contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(3) and (10) states:

- “(a) All vendors shall: ...
- (3) Maintain records of services provided to consumers in sufficient detail to verify delivery of the units of service billed: ...
  - (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 50604(d) and (e) states:

- “(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....



- (e) All service providers' records shall be supported by source documentation."

**Recommendation:**

MBI must reimburse to DDS \$3,861 for the unsupported billings. In addition, MBI should comply with the CCR, Title 17 as stated above to ensure that proper documentation is maintained to support the amounts billed to WRC.

**MBI'S Response:**

MBI was afforded the opportunity to respond to the draft audit. However, MBI did not submit a response to the draft audit report.

**Finding 2: Infant Development Program – Unsupported Billings**

The review of MBI's IDP program, Vendor Numbers HL0796, HL0797, HL0798, HL0801, and HW0725, for the sampled months of January 2020 and December 2020, revealed that MBI had unsupported billings for services billed to NLACRC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to NLACRC and non-compliance with the CCR, Title 17.

DDS reviewed the direct care service hours documented on the CMSRs and compared those hours to the direct care service hours billed to NLACRC. DDS noted that the direct care service hours on the CMSRs which were reconciled to payroll were 14 hours less than the direct care service hours billed to NLACRC. MBI was not able to provide appropriate supporting documentation for 14 hours of services billed. The lack of documentation resulted in unsupported billings to NLACRC in the amount of \$1,119, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center's contract or authorization with the provider, or with applicable state laws or regulations.”

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(10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”  
CCR, Title 17, Section 50604(d) and (e) states:

“(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....

(e) All service providers’ records shall be supported by source documentation.”

**Recommendation:**

MBI must reimburse to DDS \$1,119 for the unsupported billings. In addition, MBI should comply with the CCR, Title 17 as stated above to ensure that proper documentation is maintained to support the amounts billed to NLACRC.

**MBI’S Response:**

MBI was afforded the opportunity to respond to the draft audit. However, MBI did not submit a response to the draft audit report.

**Finding 3: Infant Development Program – Overbillings**

The review of MBI’s IDP program, Vendor Numbers HL0796, HL0797, HL0798, HL0801, and HW0725, revealed that MBI had overbillings for services billed to NLACRC.

DDS reviewed the direct care service hours documented on the CMSRs and compared those hours to the direct care service hours billed to NLACRC. DDS noted that the direct care service hours on the service records which were reconciled to payroll identified six hours of services that were not provided on a 1:1 ratio but on a 2:1 ratio. As a result, there were instances where two staff with same qualifications providing one hour of direct service at the same time were billed as two hours of service, even though the services authorized are on a one staff to one consumer ratio.

DDS also noted that another six hours of services were not provided on a 1:1 ratio but on a 1:2 ratio. As a result, MBI overbilled NLACRC for six hours of services. The overbillings occurred due to one staff providing services to two consumers at different locations, same date, and time. MBI overbilled NLACRC for a total of 12 hours. This resulted in an overbilled amount of \$1,009, which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center’s contract or authorization with the provider, or with applicable state laws or regulations.”

**Recommendation:**

MBI must reimburse to DDS \$1,009 for the overbillings. In addition, MBI should ensure that the number of direct care hours reported in its CMSR are consistent with the number of hours billed to NLACRC.

**MBI’S Response:**

MBI was afforded the opportunity to respond to the draft audit. However, MBI did not submit a response to the draft audit report.

**Finding 4: Early Start Specialized Therapeutic Services – Overbillings**

The review of MBI’s ESSTS program, Vendor Numbers PE2537, PW6902, and PW8017, for the sampled months of January 2020 and December 2020, revealed that MBI had overbillings for services billed to WRC.

DDS reviewed the direct care service hours documented on the CMSRs and compared those hours to the direct care service hours billed to WRC. DDS noted that another seven hours of services were not provided on a 1:1 ratio but on a 1:2 ratio. As a result, MBI overbilled WRC for seven hours of services. The overbillings occurred due to one staff providing services to two consumers at different locations, same date, and time. This resulted in an overbilled amount of \$790 which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center’s contract or authorization with the provider, or with applicable state laws or regulations.”

**Recommendation:**

MBI must reimburse to DDS \$790 for the overbillings. In addition, MBI should ensure that the number of direct care hours reported in its CMSR are consistent with the number of hours billed to WRC.

**MBI'S Response:**

MBI was afforded the opportunity to respond to the draft audit. However, MBI did not submit a response to the draft audit report.

## **ATTACHMENTS A-B**

### **MAYA BORNA, INC.**

**To request a copy of the attachments for this audit report, please contact the DDS Audit Section at (916) 654-3695.**

## **ATTACHMENT C – VENDOR’S RESPONSE**

### **MAYA BORNA, INC.**

As part of the audit report process, MBI was afforded the opportunity to respond to the draft audit. However, MBI did not submit a response to the draft audit report.