



Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services  
Financial Services - Audit  
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## Final Informal Review Decision

April 28, 2014

Linda LaRue-Keniston, Executive Director  
Work First, Inc.  
PO Box 86  
Farmington, ME 04938

Re: **Day Habilitation - Rehab**

Dear Ms. LaRue-Keniston:

Your facility requested an informal review of an audit report for **Work First Inc., Day Habilitation - Rehab** dated November 25, 2013 for the fiscal period from July 1, 2007 through June 30, 2008, which resulted in an overpayment of \$48,239. Your appeal request is based upon your letter dated February 27, 2014.

As a result of this request, we have prepared an informal review. Our **Final Informal Review Decision** is as follows:

The Provider is requesting that the audit for the period of July 1, 2007 through June 30, 2008 be separated into two six-month reports to coincide with the two budgets for the period. The Provider states that the cost-settled and fee-for-service programs were separated beginning January 2008 when the fee-for-service Sections 21 and 29 were offered.

The MaineCare Benefits Manual Chapter III, Section 50, Principle #2010, which is referenced in the Section 24 Principles, requires that "All long-term care facilities are required to submit annual cost reports as prescribed herein to the State of Maine, Department of Human Services...Such cost reports shall be based on the fiscal year of the facility."

In addition, Section 24 Principle 8030 states, "The total actual cost of the service shall be determined...and allocated to MaineCare based on percentage of funding."

Per audit, it was determined that the Provider's cost report based on the full twelve months of service and audit's allocation of the expenses based on a percentage of revenue is proper treatment of the Principles of Reimbursement. No revision will be made to the audit report dated November 25, 2013.

This final informal review decision was based upon a consultation with the auditor of record, a review of her audit report and the related work papers, and your subsequent communications to us.

Please refer to the attached Notice of Appeal Rights of MaineCare Providers for an explanation of your facility's further appeal options.

Sincerely,



Trisha A. White  
Auditor of Record



Herbert F. Downs, Director  
Division of Audit

Enclosures:  
Notice of Appeal Rights of MaineCare Providers

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF AUDIT – MAINECARE AND SOCIAL SERVICES**

**NOTICE OF APPEAL RIGHTS OF MAINECARE PROVIDERS**

**1. Informal Review:**

If you disagree with any portion of the audit report, you must request an informal review by the Director of the Division of Audit, or his designee, by notifying the Division of Audit, 11 State House Station, Augusta, Maine 04333-0011, in writing **within 60 days of receipt of the audit report** of the issues that are in dispute. You must also provide any and all information that you intend to rely upon in disputing each issue. Failure to give timely notice or to include the information relied upon shall constitute a waiver of your facility's right to an informal review and to any subsequent administrative appeals. See the following chart for a reference to the Department's regulation that provides further explanation of your facility's appeal rights and the information you must present in your response:

<u>Type of Facility</u>	<u>Effective Date</u>	<u>Appeal Regulation Citation</u>
ICF/MR	08-01-03	Principle #8010 (MCBM, Chapter III, section 50)
	09-01-07	Principle #8010 (MCBM, Chapter III, section 50)
Developmental Training	12-01-05	Principle #11000 (MMAM, Chapter III, section 24)

(Note: MMAM = Maine Medical Assistance Manual, MCBM = MaineCare Benefits Manual)

**2. Administrative Hearing:**

If you disagree with the decision made after an informal review, you must request an administrative hearing by the Commissioner of the Department of Health and Human Services, or Commissioner's designee, by notifying the Commissioner's office, in writing **within 60 days of receipt of the informal review decision** of the issues that are in dispute. Only those issues presented for informal review will be considered at the administrative hearing. See MaineCare Benefits Manual, Chapter, I, Section 1.21; also see the Administrative Hearing Regulations.

**3. Petition for Judicial Review:**

If you disagree with the Commissioner's final decision made after an administrative hearing, you may petition the Superior Court for judicial review of final agency action. See 5 M.R.S.A §§ 11001-11007.