



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

January 28, 2013

Reynold Raymond
Northern Maine General
PO Box 310
Eagle Lake, Maine 04739

Re: Powell Memorial Center

Dear Mr. Raymond:

Your facility requested an informal review of an audit report for **Northern Maine General, Powell Memorial Center** dated September 27, 2011 for the fiscal period from July 1, 2007 through June 30, 2008, which resulted in an overpayment of \$62,271. Your appeal request is based upon your letter dated November 2, 2011.

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

The reason stated for this appeal is because Audit removed Section 21 and 29 income and expenses dollar for dollar. A decision was made based on a hearing that was held on January 31, 2011. The decision stated that audit was not correct in removing Sections 21 & 29 revenues dollar-for-dollar against expenses. It was decided that the costs for provisions of Section 21, Section 24, and Section 29 day habilitation services be allocated based on "a percentage of revenue it received for providing each of those services." (Final Decision dated 12/08/11 from Mary Mayhew, Commissioner of DHHS.)

The audit has been revised to eliminate the adjustment that removes Sections 21 and 29 revenues dollar for dollar against expenses. The revision allocates Section 21, 24 and 29 expenses based on percentage of revenue.

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.

FIRD
Northern Maine General – Powell Memorial Center
07/01/07 to 06/30/08

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

Sincerely,



Gale Hasenfus
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)
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.