



Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services
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Final Informal Review Decision

January 30, 2014

Peter Rand
Chief Financial Officer
MAPS
482 Congress Street, Suite 301
Portland, ME 04101

Re: **Stepping Stones**

Dear Peter:

Your facility requested an informal review of an audit report for **MAPS – Stepping Stones** dated May 31, 2013 for the fiscal period from **July 1, 2009 through June 30, 2010**, which resulted in an overpayment of \$68,058.33. Your appeal request is based upon your letter dated August 2, 2013.

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

1. The As-filed Allocation Method vs. Allocation Based on Total Bed Days.

In the appeal letter dated August 2, 2013, Stepping Stones requests in part, “that its initially filed cost report, which yielded a settlement owed to Stepping Stones of \$6,977, be reinstated and accepted for cost settlement”.

Please see the MaineCare Benefits Manual (MBM), Chapter III, Section 97 and its Appendix D, effective 08/01/08, Sections 3300.3, 3400.11 and 3400.24 for a detailed explanation as to why the determination was made not to accept the cost report that was submitted on November 30, 2010. Section 3300.3 states in part, “the inclusive dates of the reporting year shall be the 12-month period of each provider’s fiscal year.”

In addition, MBM, Chapter III, Section 97, Appendix D, effective 08/01/08, Section 3400.11 goes on to say, “the Division of Audit shall perform a uniform desk review of each acceptable cost report submitted.” On December 15, 2010 a cost report was received and accepted. This cost report was audited and on May 31, 2013 a final settlement was issued.

With regards to Total Bed Days, the cost report received on 11/30/10 was submitted with Total Days of Service for the period 07/01/09 to 07/31/09. Section 3400.24 states, “To determine the allowable cost per bed day, the allowable cost shall be divided by the total actual days of care.” Total Days of Service should have been reported for the period 07/01/09 to 06/30/10 to arrive at a cost per bed day.

An informational exchange was received on September 30, 2013. The alternative cost report received on this date was not signed by the preparer or Stepping Stones administrator; therefore, this cost report was not accepted, per MBM Chapter III, Section 3300.4 which states that a cost report must be signed by both the preparer and administrator.

A revised audit report will not be issued.

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,



Kelly Poulin
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 – MaineCare and Social Services, or his designee, by notifying the Division of Audit – MaineCare and Social Services, 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. 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>
PNMI	08-01-08	Principle #6000 (MCBM, Chapter III, Section 97)
	07-02-09	Principle #6000 (MCBM, Chapter III, Section 97)
	08-01-09	Principle #6000 (MCBM, Chapter III, Section 97)
	05-15-10	Principle #6000 (MCBM, Chapter III, Section 97)

(Note: MBM = 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; see also 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.