



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

March 31, 2014

Kimberly Bernard, Budget & Reimbursement Manager
First Atlantic Healthcare
100 Waterman Drive, Suite 401
South Portland, Maine 04106

Re: **Colonial Healthcare**

Dear Kim:

Your facility requested an informal review of an audit report for **Colonial Healthcare** dated November 25, 2013 for the fiscal period from January 1, 2011 through December 31 2011, which resulted in an underpayment of \$336,433.35. Your appeal request is based upon your letter dated January 17, 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 Division of Audit include days identified by Health Management Systems, Inc. be included in the audit.

The Division of Audit does not authorize payments therefore any claims handled outside of the MaineCare payment system will not be included in the audit settlement until the claims are actually paid. The HMS auditors identified unpaid claims as "Dates of service owed by Medicaid". Once the Provider documents that payment has actually been received for these unpaid claims, the Division of Audit can include them in a revised cost settlement.

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,

Tammy A. Grover
Auditor of Record

A handwritten signature in black ink, appearing to read 'H. F. Downs', is written over a horizontal line.

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>
Nursing Facility	09-29-10	Principle #140 (MCBM, Chapter III, Section 67)
Residential Care Facility	05-01-10	Principle #34.7 (DHHS rules 10-144, chapter 115)
PNMI	11-15-10	Principle #6000 (MCBM, Chapter III, Section 97)
	02-13-11	Principle #6000 (MCBM, Chapter III, Section 97)
	09-01-11	Principle #6000 (MCBM, Chapter III, Section 97)

(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.