

Paul R. LePage, Governor

Mary C. Moyhew, Commissioner

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

October 30, 2014

Fawn Palmer, Financial Coordinator
Hope Association
85 Lincoln Avenue
Rumford, Maine 04276

Re: **Horizons**

Dear Ms. Palmer:

Hope Association requested an informal review of an audit report for **Horizons** dated August 25, 2014 for the fiscal period from July 1, 2011 through June 30, 2012, which resulted in an underpayment of \$36,848.49. Your appeal request is based upon your letter dated October 21, 2014.

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

1. Rate Setting.

The provider states in a letter dated October 21, 2014 that the audit dated August 25, 2014 is being appealed due to rate setting. The Division of Audit does not determine or set rates. The rate setting unit issues a rate letter based on a budget submitted by the provider. Per MaineCare Benefits Manual Chapter II, Section 97.01-13 a rate letter is defined as "an instrument used to inform the provider of the approved total cost cap and per diem rate based on a review of the submitted budget per Chapter III, Section 2400, General provisions."

Two rate letters were issued. The first rate letter was issued on June 14, 2011 for the period July 1, 2011 to June 30, 2012, while the second rate letter was dated November 26, 2011 for the period October 1, 2011 to June 30, 2012. These rate letters were used in the audit dated August 25, 2014.

2. Timeliness of Audit.

Nowhere in the MaineCare Benefits Manual does it state that a PNMI Appendix F Non-Case Mix Residential Care Facility must be audited in a certain time frame after the cost report has been accepted.

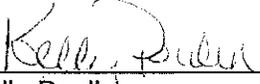
The above two reasons are not audit issues.

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

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 his 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.