

Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services  
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### Final Informal Review Decision

October 27, 2014

Sergio Plaza, Director of Accounting  
NeuroRestorative  
313 Congress Street, 5<sup>th</sup> Floor  
Boston, MA 02210

Re: **Sebago House**

Dear Mr. Plaza:

You requested an informal review of an audit report for **Sebago House** dated June 30, 2014, for the fiscal period from October 1, 2010 through September 30, 2011, which resulted in an underpayment of \$50,473.38 for residential care. Your appeal request is based upon your letter dated September 4, 2014.

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

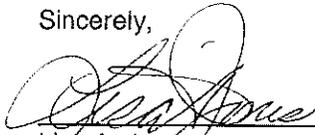
With regard to Audit Adjustment #4 to adjust Workers' Compensation, you requested that we consider using a calculation based on the average rate % multiplied by the total wages and benefits reported in the cost report, as opposed to applying the audited workers' compensation policy amounts. Although the company's strategy to be more "prudent and cost conscious" is in compliance with the Principles of Reimbursement, the audited workers' compensation policies must be used in the computation of costs for the applicable period. Because the audited workers' compensation policies were used to calculate the applicable cost, no revision to workers' compensation will be made.

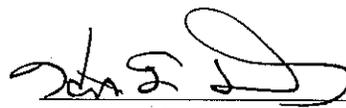
With regard to Audit Adjustment #8 to adjust Central Office costs, you stated that the FY11 cost report calculation did not include allocations for the central office in Boston and the allocation percentage for the regional and state overhead was incorrect. Based upon the supporting documentation received with this appeal {Schedule 2}, we agree with your request, and a revision will be made to Central Office costs. A revision of the audit will be made under separate cover.

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,

  
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Lisa A. Jones  
Auditor of Record

  
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Herbert F. Downs, Director  
Division of Audit

Enclosures:

Notice of Appeal Rights of MaineCare Providers