



STATE OF NEW YORK
OFFICE OF THE MEDICAID INSPECTOR GENERAL

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ANDREW M. CUOMO
GOVERNOR

JAMES G. SHEEHAN
MEDICAID INSPECTOR GENERAL

February 14, 2011

Mr. Michael Riordan
Chairman of the Board of Directors
The Highlands Living Center, Inc.
500 Hahnemann Trail
Pittsford, New York 14534

Re: Notice of Rate Changes #10-6991

NPI Number: [REDACTED]

Provider Number: [REDACTED]

Dear Mr. Riordan:

The Department of Health conducted an audit of your costs for base period October 1, 1995 through September 30, 1996 (audit #98-M04-1003). This audit resulted in adjustments of your July 1, 1995 through December 31, 1997 rates.

Previously issued Notice(s) of Rate Changes have addressed over or underpayments through December 31, 2007. However, the base period October 1, 1995 through September 30, 1996 is also used to calculate the operating portion of the 2008 through March 31, 2009 rates. Based on the enclosed audited rates calculated by the Bureau of Long Term Care Reimbursement, the Medicaid underpayment currently due the facility is \$58,274. This underpayment is subject to Department of Health (the "DOH") and Division of Budget (the "DOB") final approval. While not anticipated, any difference between the calculated underpayment and the final DOH and DOB approved amount will be resolved with the Facility by the OMIG Bureau of Collections Management.

Enclosed are the appropriate rate sheets to support the amount due the facility. The rate sheets reflect only the carry forward of the base period operating expense adjustments. All other components of the 2008 through March 31, 2009 rates may be subject to future audit. The revised rates and Medicaid impact are as follows.

<u>Rate Period</u>	<u>Issued Rates</u>	<u>Final Rates</u>	<u>Rate Decrease (Increase)</u>	<u>Medicaid Days</u>	<u>Medicaid Impact</u>
01/01/08-03/31/08	\$191.79/190.08	\$193.69/191.98	\$(1.90)	5,705	\$(10,840)
04/01/08-06/30/08	187.60/185.90	189.49/187.79	(1.89)	6,204	(11,726)
07/01/08-12/31/08	192.97/191.27	194.86/193.16	(1.89)	12,706	(24,014)
01/01/09-03/31/09	181.04/179.30	182.98/181.24	(1.94)	6,028	(11,694)
TOTAL MEDICAID OVERPAYMENT/(UNDERPAYMENT)					<u>\$(58,274)</u>

Arrangements for crediting the facility for the amount of the underpayment will be made by the Bureau of Collections Management in our Albany office. Should you have any questions, please contact them at:

Bureau of Collections Management
New York State Office of the Medicaid Inspector General
800 North Pearl Street
Albany, New York 12204
Phone #: (518) 474-5878
Fax #: (518) 408-0593

If you have any questions regarding the above, please call me at (585) 238-8118.

Sincerely,



Z. John Zirbel
Director, Audit Resources Management
Division of Medicaid Audit
Audit Management and Development
Office of the Medicaid Inspector General

Attachment
Enclosure