STATE OF NEW YORK
OFFICE OF THE MEDICAID INSPECTOR GENERAL
584 Delaware Avenue, 2nd Floor
Buffalo, New York 14202

ANDREW M. CUOMO
GOVERNOR

JAMES C. COX
ACTING MEDICAID INSPECTOR GENERAL

July 21, 2011

[redacted]
Catholic Health System
291 North Street
Buffalo, New York 14201

Re: St. Francis Home of Williamsville
Notice of Rate Changes #10-7143
NPI Number: [redacted]
Provider Number: [redacted]

Dear [redacted]

The Department of Social Services conducted an audit of your costs for base year 1983 (audit #89-E04-1030). This audit resulted in downward adjustments of your 1983 through 1988 rates. The Office of the Medicaid Inspector General conducted an audit of your self-disclosure letter (audit #10-6302). This audit resulted in downward adjustments of your 1986 through 2006 rates via per diem adjustments in 2004 through 2006 rates.

Previously issued Notice(s) of Rate Changes have addressed overpayments through December 31, 2004. However, the 1983 base year is also used to calculate the operating portion of the 1995 through March 31, 2009 rates. Based on the enclosed audited rates calculated by the Bureau of Long Term Care Reimbursement, the Medicaid overpayment currently due is $118,814. This overpayment is subject to Department of Health (the "DOH") and Division of Budget (the "DOB") final approval. While not anticipated, any difference between the calculated overpayment 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 rate sheets reflect only the carry forward of the base period operating expense adjustments. All other components of the 2006 through March 31, 2009 rates may be subject to future audit. The revised rates and Medicaid impact are as follows.

Rate Period	Issued Rates	Final Rates	Rate Decrease (Increase)	Medicaid Days	Medicaid Overpayment (Underpayment)
01/01/95-03/31/95	$93.02/93.01	$93.02/93.01	$.00	6,913	$ 0
04/01/95-06/30/95	89.48/89.47	89.52/89.51	(.04)	6,589	(264)
07/01/95-09/30/95	92.14/92.13	92.17/92.16	(.03)	7,336	(220)
10/01/95-12/31/95	92.10/92.09	92.13/92.12	(.03)	7,579	(227)
01/01/96-03/31/96	132.87/132.86	132.92/132.91	(.05)	7,061	(353)
04/01/96-04/30/96	126.69/126.68	126.74/126.73	(.05)	2,289	(114)
05/01/96-06/30/96	130.01/130.00	130.06/130.05	(.05)	4,971	(249)
07/01/96-09/30/96	129.27/129.26	129.30/129.29	(.03)	7,611	(228)
10/01/96-12/31/96	129.63/129.62	129.66/129.65	(.03)	7,815	(234)
01/01/97-02/28/97	94.21/94.20	94.26/94.25	(.05)	5,097	(255)
03/01/97-03/31/97	92.19/92.18	92.24/92.23	(.05)	2,634	(132)
04/01/97-06/30/97	97.75/97.74	97.80/97.79	(.05)	7,719	(386)
07/01/97-09/30/97	97.42/97.41	97.48/97.47	(.06)	8,130	(488)
10/01/97-12/31/97	98.64/98.63	98.69/98.68	(.05)	8,250	(412)
01/01/98-03/31/98	109.14/109.13	108.64/108.63	.50	8,372	4,186
04/01/98-06/30/98	110.90/110.89	110.41/110.40	.49	8,915	4,368
07/01/98-09/30/98	110.00/109.99	109.51/109.50	.49	9,099	4,459
10/01/98-12/31/98	111.74/111.73	111.25/111.24	.49	8,679	4,253
01/01/99-03/31/99	112.74/112.73	112.24/112.23	.50	8,299	4,150
04/01/99-06/30/99	116.27/116.26	115.55/115.54	.72	8,811	6,344
07/01/99-09/30/99	108.24/108.23	107.74/107.73	.50	8,559	4,280
10/01/99-12/31/99	107.92/107.91	107.42/107.41	.50	9,251	4,626
01/01/00-03/31/00	106.18/106.17	105.66/105.65	.52	9,248	4,809
04/01/00-06/30/00	105.50/105.49	104.98/104.97	.52	9,149	4,757
07/01/00-09/30/00	107.70/107.69	107.19/107.18	.51	9,339	4,763
10/01/00-12/31/00	108.53/108.52	108.02/108.01	.51	8,852	4,515
01/01/01-03/31/01	112.95/112.94	112.41/112.40	.54	8,295	4,479
04/01/01-06/30/01	115.33/115.32	114.79/114.78	.54	7,764	4,193
07/01/01-09/30/01	114.05/114.04	113.52/113.51	.53	7,419	3,932
10/01/01-12/31/01	114.81/114.80	114.30/114.29	.51	8,054	4,108
01/01/02-03/31/02	110.45/110.44	109.89/109.88	.56	8,296	4,646
04/01/02-06/30/02	115.57/115.56	115.03/115.02	.54	8,917	4,815
07/01/02-09/30/02	115.27/115.26	114.72/114.71	.55	9,326	5,129
10/01/02-12/31/02	115.06/115.05	114.51/114.50	.55	9,484	5,216
01/01/03-03/31/03	116.14/116.13	115.59/115.58	.55	9,542	5,248
04/01/03-06/30/03	118.88/118.87	118.33/118.32	.55	9,577	5,267
07/01/03-09/30/03	120.58/120.57	120.04/120.03	.54	9,362	5,055
10/01/03-12/31/03	120.68/120.67	120.13/120.12	.55	9,173	5,045
01/01/04-03/31/04	154.22/154.21	153.66/153.65	.56	8,719	4,883
04/01/04-06/30/04	160.80/160.79	161.02/161.01	(.22)	8,810	(1,983)
07/01/04-09/30/04	157.23/157.22	157.43/157.42	(.20)	9,117	(1,823)
10/01/04-12/31/04	157.05/157.04	157.25/157.24	(.20)	9,099	(1,820)

Rate Period	Issued Rates	Final Rates	Rate Increase (Decrease)	Medicaid Days	Medicaid Overpayment (Underpayment)
01/01/05-03/31/05	$130.70/130.69	$130.94/130.93	$(.24)	8,440	$ (2,026)
04/01/05-06/30/05	131.89/131.88	132.12/132.11	(.23)	8,158	(1,876)
07/01/05-09/30/05	132.71/132.70	132.94/132.93	(.23)	8,078	(1,858)
10/01/05-12/31/05	134.67/134.66	134.88/134.87	(.21)	8,715	(1,830)
01/01/06-03/31/06	138.63/138.62	138.87/138.86	(.24)	8,548	(2,052)
04/01/06-06/30/06	140.14/140.13	140.38/140.37	(.24)	7,552	(1,812)
07/01/06-09/30/06	142.61/142.60	142.85/142.84	(.24)	7,636	(1,833)
10/01/06-12/31/06	141.39/141.38	141.63/141.62	(.24)	7,017	(1,684)
01/01/07-03/31/07	154.23/154.22	153.87/153.86	.36	6,911	2,488
04/01/07-06/30/07	153.41/153.40	153.05/153.04	.36	6,769	2,437
07/01/07-08/31/07	150.97/150.96	150.61/150.60	.36	4,415	1,589
09/01/07-12/31/07	150.97/150.96	150.61/150.60	.36	10,045	3,616
01/01/08-03/31/08	157.06/157.05	156.69/156.68	.37	8,309	3,074
04/01/08-06/30/08	154.24/154.23	153.87/153.86	.37	8,053	2,980
07/01/08-12/31/08	157.41/157.40	157.04/157.03	.37	16,549	6,123
01/01/09-03/31/09	147.90/147.89	147.52/147.51	.38	8,146	3,095
TOTAL MEDICAID OVERPAYMENT					$118,814

In accordance with 18 NYCRR Part 518 which regulates the collection of overpayments, your repayment options are described below.

OPTION #1: Make full payment by check or money order within 20 days of the date of the final report. The check should be made payable to the New York State Department of Health and be sent with the attached Remittance Advice to:

New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 1237
File #10-7143
Albany, New York 12237-0048

OPTION #2: Enter into a repayment agreement with the Office of the Medicaid Inspector General. If your repayment terms exceed 90 days from the date of the final report, recoveries of amounts due are subject to interest charges at the prime rate plus 2%. If the process of establishing the repayment agreement exceeds 20 days from the date of the final audit report, the OMIG will impose a 15% withhold after 20 days until the agreement is established. The OMIG may require financial information from you to establish the terms of the repayment agreement. If additional information is requested, the OMIG must receive the information within 30 days of the request or a 50% withhold will be imposed. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. The OMIG will adjust the rate of

recovery, or require payment in full, if your unpaid balance is not being repaid as agreed. The OMIG will notify you no later than 5 days after initiating such action. If you wish to enter into a repayment agreement, you must forward your written request within 20 days to the following:

Bureau of Collections Management
New York State Office of the Medicaid Inspector General
800 North Pearl Street
Albany, New York 12204

If within 20 days, you fail to make full payment or contact the OMIG to make repayment arrangements, the OMIG will establish a withhold equal to 50% of your Medicaid billings to secure payment and liquidate the overpayment amount, interest and/or penalty, not barring any other remedy allowed by law. The OMIG will provide notice to you no later than 5 days after the withholding of any funds.

In addition, if you receive an adjustment in your favor while you owe funds to the State, such adjustment will be applied against the amount owed.

If you have any questions regarding the above, please call at

Sincerely,

Director, Audit Resources Management
Division of Medicaid Audit
Audit Management and Development
Office of the Medicaid Inspector General

cc:
Ver-12.0

NEW YORK STATE
OFFICE OF THE MEDICAID INSPECTOR GENERAL
REMITTANCE ADVICE

NAME AND ADDRESS OF AUDITEE

St. Francis Home of Williamsville
147 Reist Street
Williamsville, New York 14221

AMOUNT DUE: $118,814

NPI #: [redacted]
PROVIDER #: [redacted]

AUDIT #10-7143

AUDIT TYPE	
	[ ] PROVIDER
	[X] RATE
	[ ] PART B
	[ ] OTHER:

CHECKLIST

1. To ensure proper credit, please enclose this form with your check.
2. Make checks payable to: *New York State Department of Health*
3. Record the Audit Number on your check.
4. Mail check to:

[redacted]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 1237
File #10-7143
Albany, New York 12237-0048

5. If the provider number shown above is incorrect, please enter the correct number below.

CORRECT PROVIDER NUMBER