

Mendocino Coast Health Care District

Board Meeting

April 27, 2023

Treasurer's Report

Contents:

- Statement of Financial Position
- Warrant List
- Adventist Health Accounts Receivable in MCHCD Accounts
- Measure C Fund Account
- Auditors Claim Form for April 38% Teeter Distribution

Discussion Items:

1. Financial Overview
2. Adventist Health AR Deposits in District Accounts
3. Measure C Finances Update
4. Draft Fund Accounting Framework for FYE2024
5. Medicare and MediCal Cost Report Settlements

Board Actions

1. Accept Treasurer's Report
2. Approve transfer of \$1,500,000 of Adventist Health Accounts Receivable to Adventist Health

Mendocino Coast Health Care District
Statement of Financial Position
As of March 31, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
CASH AND CASH EQUIVALENTS	
BofA xx155 ¹	2,456,095.11
BofA AP xx268	174,273.90
BofA HH AP xx743	36,941.51
BofA HH PR xx680	21,663.14
BofA Master xx263 ¹	304,190.57
BofA Payroll xx282	6,238.47
SBMC Core xxxxx660	13,911.31
SBMC Gift Mem xxx686	0.64
SBMC HH xxx678	73,923.26
TRIC Deposit Account 7219	990,437.31
TRIC District AP -Checking (7244)	155,818.30
TRIC Measure C Restricted Fund - 5258	3,027,075.49
TRIC Property Tax Revenue Account 5861	1,012,771.37
Total Verified Bank Accounts	\$ 8,273,340.38
Total Cash	\$ 8,273,340.38
Other Assets	
Local Agency Investment Fund (LAIF)	3,519,951.91
CA DHCS Intergovernmental Transfer	912,733.00
Storage Deposit	1,606.00
Sun Life of Canada 962 shares	47,186.10
Total Other Assets	\$ 4,481,477.01
Accounts Receivable	
CA DHCS Intergovernmental Transfer - Estimate	\$ 900,000.00
Total Accounts Receivable	\$ 900,000.00
TOTAL ASSETS	\$ 13,654,817.39

LIABILITIES**Liabilities****Current Liabilities****Accounts Payable**

AHMC Accounts Receivable Claim as of March 31, 2023	1,710,840.00
---	--------------

CA Dept. Health Care Services Refund Claim ²	422,578.12
---	------------

Operations Accounts Payable (A/P) ³	18,776.59
--	-----------

Total Accounts Payable	\$ 2,152,194.71
-------------------------------	------------------------

Other Liabilities

CARES Act Refund	\$ 1,300,000.00
------------------	-----------------

United Health Care Loan	420,000.00
-------------------------	------------

Total Other Liabilities	\$ 1,720,000.00
--------------------------------	------------------------

Total Current Liabilities	\$ 3,872,194.71
----------------------------------	------------------------

Long-Term Liabilities

2016 Refunding Bonds	3,251,216.69
----------------------	--------------

HELP II Loan 21192275	860,509.11
-----------------------	------------

Total Long-Term Liabilities	\$ 4,111,725.80
------------------------------------	------------------------

Total Liabilities	\$ 7,983,920.51
--------------------------	------------------------

NET ASSETS MINUS LIABILITIES	\$ 5,670,896.88
-------------------------------------	------------------------

EQUITY

Net Capital Assets - FY2020 Audit (DZA) ⁴	14,549,614.00
--	---------------

TOTAL EQUITY	\$ 14,549,614.00
---------------------	-------------------------

NET WORTH	\$ 20,220,510.88
------------------	-------------------------

NOTES:

¹ This account is primarily if not totally composed of payments to AHMC for services by insurance companies, etc. which will be passed through to AH.

² MediCal Overpayment. North Coast Health Center FYE2019

³ A/P as of 3/31 See Warrant List for details.

⁴ This represents the value of land and improvements owned by the District. This figure comes from the 2019-2020 DZA Audit Capital assets, net of accumulated depreciation.

Disclaimer: This statement was not subjected to an audit, review, or compilation and may contain errors and omissions. The sole purpose of this document is to acquaint the Governing Board of the general status of the District's finances.

Prepared by J. Tippett, Treasurer

Mendocino Coast Health Care District
Warrant List
March 25-April 19

Automated Payments	Payee	For	Date Last Paid	Amount
	BNY Mellon -	Revenue Bond	4/3/2023	51,691.19
	Bank of America	Analysis Charge	4/17/2023	1,232.00
	Mendocino Community Network*	Fusion Service 775	4/3/2023	84.21
	Mendocino Community Network	Hospice?	4/12/2023	146.51

Payments Made			Date Paid	Amount
	HELP II Loan	Loan Payment	3/29/2023	13,802.02
	Devenney Group	Seismic Planning	3/29/2023	32,492.30
	Melio	Payment Processing	3/29/2023	1.50
	Intuit Corp	Checks	3/31/2023	95.45
	K McKee & Co.	Payroll Services	4/3/2023	445.00
	Petrak & Associates	Medicare Cost Report	4/5/2023	73.38
	Streamline	Website	4/10/2023	200.00
	HELP II Loan	Loan Payment (Dec.22)	4/10/2023	14,492.12
	Beta Healthcare Group	Tail Liability Ins.	4/12/2023	866.09
	P&A Group	Board HRA	4/13/2023	600.00
	K McKee & Co.	Accounting	4/13/2023	750.00
	Department of Health Care Services	MediCal Overpayment	4/18/2023	422,578.12

Payments Due			Due Date	Amount
	Pelical Storage	Surplus Storage	4/22/2023	720.00
	Streamline	Website	4/25/2023	600.00
	Lee Finney	CSDA Policy Manual	4/25/2023	225.00

Notes

Adventist Health Accounts Receivable in Mendocino Coast Health Care District Accounts

Date	Amount	Totals	Description
12/31/2021	12,213,192		District's payable to AH as of 12/31/2021-A/R Reconciliation Summary
1/31/2022	(3,657,960)		Less Transfer to Adventist Health from Tri Counties Bank account #7219
3/4/2022	(403,081)		Less Transfer to Adventist Health from Tri Counties Bank account #7219
11/10/2022	(5,878,413)		Less Wire to Adventist Health from Bank of America account #1263
		2,273,738	Remaining 12/31/2021 payable to transfer to AH
7/1-31/2022	1,106,365		Patient Payments-July 2022 bank deposits-belonging to Adventist Health
9/2/2022	(790,000)		Less Transfer from Tri Counties bank account ending #7219
		316,365	Remaining to transfer to AH for July 2022 bank deposits
8/1-31/2022	619,997		Patient Payments-August 2022 bank deposits-belonging to Adventist Health
11/15/2022	(196)		Less Transfer from Savings Bank of Mendocino #0660
11/16/2022	(617,983)		Less Transfer from Bank of America account #1263
	1,818	1,818	Remaining to transfer to AH for August 2022 bank deposits
10/1-31/2022	273,128	273,128	Patient Payments-October 2022 bank deposits-belonging to Adventist Health
11/1-30/2022	1,944,621	1,944,621	Patient Payments-November 2022 bank deposits-belonging to Adventist Health
12/1-31/2022	276,313	276,313	Patient Payments-December 2022 bank deposits-belonging to Adventist Health
1/1-31/2023	264,047	264,047	Patient Payments-January 2023 bank deposits-belonging to Adventist Health
1/1/2023	1,030,000	1,030,000	Biannual Lease payment-Improvement Fund due from the District
2/28/2023	185,764	185,764	Patient Payments- February 2023
2/28/2023	(5,060,900)	(5,060,900)	Transfer from Bank of America Account #1263
3/31/2023	205,947	205,947	Patient Payments-March 2023
3/31/2023		1,710,840	Current Balance Due Adventist

Measure C Fund Account

Date	Gross Parcel Tax Receipts	Assess	Rebates	Expenses	Net Parcel Tax Receipts	Capital Projects Approved	Balance
2018							
10/15	100				100		100
2019							
1/14	965,606	(19,312)			946,294		946,394
2/28			(18,144)		(18,144)		928,250
4/3			(5,040)		(5,040)		923,210
4/17			(1,584)		(1,584)		921,626
4/26	667,146	(13,343)			653,803		1,575,429
5/8						(700,000)	875,429 Medtech upgrade
5/30			(1,152)		(1,152)		874,277
6/7			(1,296)		(1,296)		872,981 FYE '19
7/19			(4,608)		(4,608)		868,373
7/24			(288)		(288)		868,085
8/9			(1,296)		(1,296)		866,789
8/20	121,445	(2,429)			119,016		985,805
10/15						(56,088)	929,717 ED Flooring
						(24,650)	905,067 Nitrous manifold
12/4			(864)		(864)		904,203
12/17	904,939	(18,099)			886,840		1,791,043
12/19			(576)		(576)		1,790,467
2020							
1/31						(136,568)	1,653,899 LOGIQ Ultrasound
1/31						(314,564)	1,339,335 NCFHC
1/31						(314,564)	1,024,771 ED
1/31						(314,564)	710,207 Labor & Delivery
5/31	625,231	(12,505)			612,726		1,322,933
7/15			(3,168)		(3,168)		1,319,765
9/15	111,327	(2,267)			109,060		1,428,825 ? Same fees as Aug '20
12/17	890,906	(17,815)			873,091		2,301,916
2021							
2/18						(2,225,478)	76,438 Roof rep,HVAC,AmbInc,fire sprkl,sur;
4/23	615,436	(12,309)			603,127		679,565
8/26	113,946	(2,267)			111,679		791,244
10/19			(5,040)		(5,040)		786,204
2022							
1/6	884,110	(17,682)			866,428		1,652,632
4/14	610,304	(12,206)			598,098		2,250,730
8/22	112,483	(2,250)			110,233		2,360,963
2023							
12/22	882,604	(17,652)	(720)		864,232		3,225,195
4/5			(720)		(720)		3,224,475
4/17	609,130	(12,183)			596,947		3,821,423
CURRENT TOTALS	8,114,713	(162,318)	(44,496)	-	7,310,951	(4,086,476)	3,821,423

Remaining Unallocated Measure C Funds

3,821,423

Measure C Restricted Account Balance
(as per J. Tippett 4/19/23)

3,624,023.00

Minimum true-up required to bring Measure C Funds up to unallocated balance as of 4/17/23.

197,400

MENDOCINO COUNTY AUDITOR CLAIM

FY 22-23 38% Teeter, CY/PY Unsecured Collection Distribution (Dec 2022-Feb 2023)

Vendor No: 7794 **Batch #** 1978

Vendor: Mendocino Coast Health Care Dist **Control #** 111055700

PO Box 579

Fort Bragg CA 95437 **Check #** _____

Date Paid: 4/13/2023

<p>Total Claim: 934,763.05</p>	<p>Approved for Payment: Chamise Cubisson, Auditor-Controller/TTC <i>Darlene Betts</i> For questions contact: Darlene Betts, 707-234-6874</p>
---	---

<u>Fund-Acct No.</u>	<u>Description:</u>	<u>Amount:</u>
	Current Secured	337,646.05
	Current Unsecured	(11.14)
	Prior Secured	-
	Prior Unsecured	180.66
	SB813 Supplemental	-
	HOPTR	-
	Highway Property Rental	-
	Timber Tax	-
	FBRDA Residual ROPS A	-
	Prop 1-A Reimbursement	-
	Spec Assmt - Measure C	609,130.08
	Less Spec Assmt Fee	(12,182.60)
		-

2110-760134	Total	934,763.05

**Mendocino Coast Health Care District
Fund Based Accounting Framework for FYE2024 (Proposed)**

General Fund

- **District Operations**
 - Personnel Costs
 - Office Expenses
 - Board Meeting Expenses
 - D&O Insurance
 - Board HRA
 - Legal Expenses
 - Accounting Expenses
 - Utilities
 - Internet Costs
 - Website
 - Office 365
 - Memberships
 - Board Education – Consultants
 - Election Costs
- **Measure C Administrative Expenses**
 - Consultant Costs related to exemptions, etc.
 - Legal Expenses related to Measure C
 - ADA Accommodations

Measure C Restricted Fund

- Holds Measure C Funds
- Reimburse AHMC Lease Fund for Completed Improvements*
- Other expenditures*
* as authorized by the Measure C Committee and approved by MCHCD Board

AHMC Lease Fund

- AHMC Lease Payment
- AHMC Improvement Fund Payments
- Other expenses directly related to AHMC Lease

Trailing Liability Fund

- Tail Health Care Liability
- Obsolete Property Storage
- EDD Unemployment Insurance Payment
- Medicare and MediCal Cost Report Settlements
 - Underpayment Reimbursements
 - Overpayment Refunds
 - Independent consulting accountants

Capital Fund – Seismic Retrofit

- **Fund Balance**
 - General Fund Annual Surplus
- **Design and Planning Costs**
 - Architects
 - Engineers
 - Consultant Expenses

Debt Service Fund

- **Bonds**
 - Bond Principal balances
 - Bond Payments – Interest and principal accounted separately
 - Bond servicing and certification costs
- **Loans**
 - Loan Principal Balances
 - Loan Payments – Interest and Principal accounted separately

Special District Uniform Accounting and Reporting Procedures

Chapter 5: Fund Accounting

Introduction

Governmental accounting systems should be organized and operated on a fund basis. According to GASB Cod. Sec. 1300, *Statements of Principle*, a fund is defined as:

An independent fiscal and accounting entity with a self-balancing set of accounts which record cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Unlike private business, which is accounted for as a single entity, a governmental unit is accounted for through several separate fund entities as discussed in GASB Cod. Sec. 1300.101 (Section 1300, paragraph .101). Each of these funds accounts for assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position or fund balance within each fund.

Fund accounting systems not only need to be capable of recording the day-to-day transactions in the appropriate funds, but should also facilitate the preparation of the basic financial statements. These basic financial statements require both government-wide and fund reporting for government entities.

Additionally, fund financial statements should be used to report additional and detailed information with regard to the primary government entity, including its blended component units. The focus of fund financial statements is on major funds.

Governmental Environment

5.01 Number of Funds

Governmental accounting and financial reporting requirements are intended to provide assurance that available governmental resources are controlled and spent in accordance with the organization's spending, product and service delivery decisions, and a variety of legal and contractual provisions. The general rule is to establish the minimum number of separate funds consistent with legal specifications, operational requirements, and the principles of fund classification.

As described in GASB Cod. Sec. 1300.101 (Section 1300, paragraph .101):

The diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single accounting entity. Unlike a private business, which is accounted for as a single entity, a governmental unit is accounted for through several separate fund entities, each accounting for designated assets, liabilities, and equity or other balances.

Thus, from an accounting and financial management viewpoint, a governmental unit is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently.

5.02 Fund Categories

Governmental funds, as discussed in GASB Cod. Sec. 1300.102a (Section 1300, paragraph .102a), are primarily focused on the sources, uses, and balances of current financial resources and often have a budgetary orientation. Current financial resources are those assets that are expendable during a budgetary period and they are often segregated into a specific governmental fund based on restrictions imposed by outside authorities or parties, or strategies established by internal management. Liabilities of a governmental fund are obligations that will be paid from the current period resources held by that particular fund.

According to GASB Cod. Sec. 1300.102a (Section 1300, paragraph .102a), financial statements for governmental funds should be presented using the current financial resources measurement focus and the modified accrual basis of accounting. The governmental fund category includes the general fund, special revenue funds, capital projects funds, debt service funds, and permanent funds.

Fund Balance, as discussed in GASB Cod. Sec. 1300.102a (Section 1300, paragraph .102a), is referred to as fund equity. It is the difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources.

Proprietary funds, as discussed in GASB Cod. Sec. 1300.102b (Section 1300, paragraph .102b), are primarily focused on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. They are used to account for local government activities similar to those that may be performed by commercial enterprise-type organizations.

According to the provisions of GASB Cod. Sec. 1300.102b (Section 1300, paragraph .102b), the required financial statements for proprietary funds are a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows. These financial statements should be reported using the full accrual basis of accounting and the economic resources measurement focus. The proprietary fund category includes enterprise funds and internal service funds.

Fiduciary funds, as discussed in GASB Cod. Sec. 1300.102c (Section 1300, paragraph .102c), are primarily focused on net position and changes in net position. They are used to account for assets held by a local government for other parties (either as a trustee or as an agent) and that cannot be used to finance the local government's own operating programs.

According to the provisions of GASB Cod. Sec. 1300.102c (Section 1300, paragraph .102c), the required financial statements for fiduciary funds are the statement of fiduciary net position and the statement of changes in fiduciary net position. These financial statements should include information about all fiduciary funds of the primary government, including fiduciary component units.

As stated in GASB Cod. Sec. 1300.102c (Section 1300, paragraph .102c), fiduciary funds should be reported using the full accrual basis of accounting and the economic resources measurement focus. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Custodial funds are distinguished from the three types of trust funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics.

Fund Types

5.03 Governmental Funds

Governmental funds are based on the following accounting relationship:

$$\text{Assets} + \text{Deferred Outflows of Resources} = \text{Liabilities} + \text{Deferred Inflows of Resources} + \text{Fund Balance}$$

As previously discussed, the Governmental Fund category includes the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds, and Permanent Funds and account for the current operating expenditures of the local government. The guidelines for the five types of governmental funds are stated in GASB Cod. Sec. 1300.104 - .108 (Section 1300, paragraphs .104 - .108).

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. There is only one general fund and it should only be used if no other fund is applicable and/or appropriate.

Special revenue funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years should also be reported in debt service funds. The debt service transactions of a special assessment issue for which the government is not obligated in any manner should be reported in a custodial fund rather than a debt service fund.

Permanent funds are used to account for and report financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs—that is, for the benefit of the government or its citizenry. Permanent funds do not include private-purpose trust funds.

5.04 Proprietary Funds

Proprietary funds include enterprise funds and internal service funds. Funds in this category are considered self-supporting in that the services they render are generally financed through user charges or on a cost reimbursement basis. Proprietary funds (as well as fiduciary and government-wide financial statements) are based on the following accounting relationship:

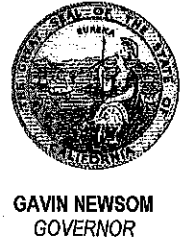
$$(\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources}) = \text{Net Position}$$

This accounting relationship can also be displayed in a balance sheet format as:

$$\text{Assets} + \text{Deferred Outflows of Resources} = \text{Liabilities} + \text{Deferred Inflows of Resources} + \text{Net Position}$$



State of California—Health and Human Services Agency
Department of Health Care Services



SEP 24 2021

Judson Howe, CFO
North Coast Family
700 River Drive
Fort Bragg, CA 95437-5403

NOTICE OF TENTATIVE SETTLEMENT TO RECONCILIATION REQUEST
PROVIDER LEGAL NAME: MENDOCINO COAST HEALTH CARE DISTRICT
DBA: NORTH COAST FAMILY
NATIONAL PROVIDER IDENTIFIER: 1124220249
FISCAL PERIOD ENDED: JUNE 30, 2019

We completed the pre-audit analysis for the Rural Health Clinic (RHC) Medi-Cal Reconciliation Review Request for the above-referenced fiscal period.

The amount presented on Schedule 1 represents 100% of the tentative Medi-Cal settlement due the State in the amount of \$457,255, for the above-referenced fiscal period.

In order to prevent overpayments to the Clinic, the Department applied a percentage of cutback to reflect the recovery from prior year reviews.

This RHC Tentative Settlement to Reconciliation Request includes the:

1. Schedule 1—Tentative Settlement Summary
2. Tentative Settlement Adjustments Schedule

The Department will perform a final review of the Clinic's Medi-Cal Prospective Payment System (PPS) Reconciliation Request at a later date, which will determine the Clinic's final settlement amount.

The Department will not adjust the Clinic's interim PPS rate at this time.

The Statement of Account Status will incorporate the Medi-Cal overpayment, which may reflect other financial transactions initiated by the Department. The State's fiscal intermediary will forward the Statement of Account Status to the provider. The Statement of Account Status will include instructions regarding payment. The total of the Statement of Account Status equals the total settlement amount on Schedule 1 of this report.

Judson Howe
Page 2

SEP 24 2021

Please contact Kanwardeep Gill, Auditor, at (916) 713-8980 or
Kanwardeep.Gill@dhcs.ca.gov if you have any questions.

for 
Maricela Orejel
Audit Manager
FQHC/RHC Section—Sacramento
Financial Audits Branch

Enclosure
Certified

Jade Tippett

From: Keo, Metrey@DHCS <Metrey.Keo@dhcs.ca.gov>
Sent: Tuesday, April 4, 2023 2:41 PM
To: Jade Tippett
Cc: Rozanski, Laura@DHCS; Lloyd, Kristi@DHCS
Subject: RE: [External]RE: Mendocino Coast Health Tentative Settlement FY2019

Jade,

Awesome! Please keep me updated as you route the payment.

Payments by Check:

Checks should be made payable to “Department of Health Care Services,” must list the appropriate NPI/AR number and should be mailed to the following address:

Department of Health Care Services
Overpayments Unit, MS 4720
PO BOX 997421
Sacramento, CA 95899-9916

Payment by Electronic Fund Transfer (EFT):

To get started, go to the EFT [website](#). Two unique EFT options are available:

- One-Time Payment – Ideal for Medi-Cal beneficiaries and entities with few claims
- Enrolled User Payment – Ideal for entities with numerous claims and multiple payments. This option allows users to schedule advance payments and track payment history.
 - Select “Register” to register as an Enrolled User - Allow DHCS 5 business days to create and confirm your new Enrolled User account

Additional Information about using EFT

In your payments, please include the following information in the backup document or individual EFT:

Reference	NPI	AR	Amount
1124220249-019	1124220249	6042130745	\$260,813.12
1124220249-020	1124220249	6042130746	\$75,391.00
1124220249-021	1124220249	6042130747	\$86,064.21
1124220249-022	1124220249	6042130748	\$309.79
Total			\$422,578.12

Please let me know if you have any questions.

Thank you,

Metrey Keo

Associate Governmental Program Analyst
Department of Health Care Services
Third Party Liability and Recovery Division
Overpayments Unit
Office: (279) 600-1773

FQHC / RHC PPS RECONCILIATION - TENTATIVE SETTLEMENT (TRA)

PROVIDER LEGAL NAME: MENDOCINO COAST HEALTH	Fiscal Period Ended DECEMBER 31, 2020
---	---

National Provider Identifier 1124220249	SOL Date 02/28/25	Program RHC	Type Code 1003
---	-----------------------------	-----------------------	--------------------------

Supervisor	Pasia Gutierrez <i>10/19/22 C. FON</i>
Auditor	Tarandeep Brar
Budgeted Hours	2
Actual Hours	2
Date to Supervisor	9/15/2022
TRA Letter Issued	FEB 22 2023 <i>gm</i>

	PERIOD 1	PERIOD 2
Total Visits Reported	1,956	1,711
Total Payments Reported	\$695,303	\$615,670
PPS Rate	\$223.15	\$227.38
Total Amount	(\$485,444) ✓	
TRA Payment Percentage	100%	
TRA Pmt Due Provider (State)	(\$485,444)	



MICHELLE BAASS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

FEB 22 2023

Warren Tetz, CFO
Mendocino Coast Health Care District
700 River Dr
Fort Bragg, CA 95437-5403

NOTICE OF TENTATIVE SETTLEMENT TO RECONCILIATION REQUEST
PROVIDER LEGAL NAME MEDOCINO COAST HEALTH CARE DISTRICT
DBA NORTH COAST FAMILY
NATIONAL PROVIDER IDENTIFIER (NPI) 1124220249
FISCAL PERIOD ENDED DECEMBER 31, 2020

We completed the pre-audit analysis for the Rural Health Clinic (RHC) Medi-Cal Reconciliation Review Request for the above-referenced fiscal period.

The amount presented on Schedule 1 represents 100% of the tentative Medi-Cal settlement due the State in the amount of \$485,444, for the above-referenced fiscal period.

This RHC Tentative Settlement to Reconciliation Request includes the:

1. Schedule 1—Tentative Settlement Summary

The Department will perform a final review of the Clinic's Medi-Cal Prospective Payment System (PPS) Reconciliation Request at a later date, which will determine the Clinic's final settlement amount.

The Department will not adjust the Clinic's interim PPS rate at this time.

The Statement of Account Status will incorporate the Medi-Cal overpayment, which may reflect other financial transactions initiated by the Department. The State's fiscal intermediary will forward the Statement of Account Status to the provider. The Statement of Account Status will include instructions regarding payment. The total of the Statement of Account Status equals the total settlement amount on Schedule 1 of this report.

Administrator

Page 2

Date

FEB 22 2023

Please contact Tarandeep Brar, Auditor, at Tarandeep.Brar@dhcs.ca.gov if you have any questions.



Pasia Gutierrez
Audit Manager
FQHC/RHC Section—Sacramento
Financial Audits Branch

Enclosure

Certified



PO Box 6782
Fargo, ND 58108-6782

June 17, 2021

**FIRST REQUEST
CERTIFIED MAIL**

JUDY HOUGLAND CONTROLLER
MENDOCINO COAST DISTRICT HOSPITAL
700 RIVER ROAD
FORT BRAGG CA 95437-5403

RE: Provider: Mendocino Coast District Hospital Initial Demand Letter
Provider Number: 05-1325
Fiscal Year End: June 30, 2019
Subunits: 05-8629, 05-Z325

Dear Ms. Houglan:

The final settlement made under the Health Insurance for the Aged Act, Title XVIII for the provider above shows an amount due the Medicare program of \$120,437.00.

As a means of collecting the amount due, we will recoup (reduce or withhold) 100% of your interim payments from your Remittance Advice starting 15 days from the date of this letter until the full amount due has been recouped or an acceptable repayment schedule, along with the first month's payment, is received. If you would prefer not to have the overpayment withheld through your remit, a check must be received in our office on or before 15 days from the date of this letter. If you have questions, please contact our Call Center at 855-609-9960.

If you wish to make arrangements for an extended repayment plan, please contact JE-ERS@noridian.com. All extended repayment schedules are subject to interest. The interest rate is determined by the Secretary of the Treasury. The current interest rate on overpayments is 9.500%. Payments are applied first to accrued interest and then to the principle.

If you are submitting a check, please make it payable to "Noridian Healthcare Solutions,

MENDOCINO COAST DISTRICT HOSPITAL

June 17, 2021

Page 2

LLC Medicare A", identify on the check what settlement the payment is to be applied to, and mail it to:

Noridian Healthcare Solutions, LLC
PO Box 6782
Fargo, ND 58108-6782

Noridian Healthcare Solutions (Noridian) offers an immediate offset option for collection of this overpayment from your Medicare claims processing payment. Please refer to the immediate offset request form found on the Noridian website:
<https://med.noridianmedicare.com/web/jea/forms>

In accordance with the Social Security Act, Section 1815(d) and 1833(j), interest will be assessed on the amount due CMS unless full payment is made within 30 days from the date of this letter. As stated in 42 CFR 405.378, interest will be assessed for each full 30-day period that payment is delayed.

We expect to hear from you shortly.

Sincerely,

/s/

Ellen Corwin, Director, J-E Provider Audit & Reimbursement
Provider Audit and Reimbursement Department

CTJ

Enclosure