

NEIGHBORHOOD FAMILY CARE CENTER INC

109 WINDSOR STREET  
CAMBRIDGE MASSACHUSETTS 02139

TEL: 864.6510

September 25, 1973

diabetic  
and  
Internal Medicine

Psychiatric  
Psychological  
and  
Social Services

Mr. Edward McCarthy  
Acting City Solicitor  
City Hall  
Massachusetts Avenue  
Cambridge, Massachusetts

Dear Mr. McCarthy:

On Monday, 24 September, a meeting was held at City Hall with Ms. Margaret Hovenanian, Dr. James Hartgering, Mr. James Farrell and myself present. At the meeting it was suggested I write to you for a legal opinion.

The Neighborhood Family Care Center, a private corporation, delivers health, mental health and social services to Areas III and IV of Cambridge. Over the last five years with grant funds and in-kind service, several city agencies have provided care through a coordinated effort among these several participating agencies. Such a structure is now financially jeopardized.

On 22 May of this year the Center was licensed by the Commonwealth Department of Public Health as a free standing clinic. This licensure opens the way for the Center to collect reimbursement under Title XIX of the Social Security Act (Medicaid). We are looking to you for a legal opinion regarding our right to collect this reimbursement under our license for the following reasons:

- 1 - Currently many of the medical practitioners working in the Center are on the city payroll under the Department of Health, Hospitals & Welfare and work at the Center by special arrangement with that department;
- 2 - as I understand it with Title XIX Legislation we cannot collect payments rendered by professionals whose salary we do not pay;
- 3 - Financially the Center needs to collect these payments to provide both salaries, administrative and overhead expenses.

Is the law flexible enough to permit the Center to collect from Title XIX, permit professionals to remain on the city payroll and for the Center to

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October 18, 1973

Mr. Edward McCarthy  
Acting City Solicitor  
City Hall  
Massachusetts Avenue  
Cambridge, Massachusetts

Dear Mr. McCarthy:

On September 25th I wrote to you requesting your opinion regarding the Neighborhood Family Care Center and its desire to collect Medicaid payments. I realize that the Center, with its consumer board and incorporation, is quite different from many neighborhood health centers whose administration and accounting are directly connected with the backup hospital. It does seem to me, however, irreconcilable with the intent of the Title XIX Legislation for the Center to collect Medicaid payments and return to the City monies equivalent to the salaries of health providers working at the Center, such a solution benefits the City by providing salary payments for individuals whose positions are now carried by tax dollars. On the other hand, the Neighborhood Family Care Center, fulfilling a vital and necessary role in the health delivery system of the City of Cambridge, receives those overhead and administrative monies necessary for operation. With the City's commitment to the existence of the Center via the contribution of the old Sullivan Post building and signing with us a contract for Housing & Urban Development renovation money, such a solution, as suggested above, continues and fulfills those commitments. I would be happy to discuss with you your feelings concerning such a projected solution to the handling of Title XIX money.

Thank you for your consideration.

Sincerely yours,

Dwight E. Conrad,  
Administrative Director

DEC:jf

CC: Mr. James Farrell  
Dr. James Hartgering

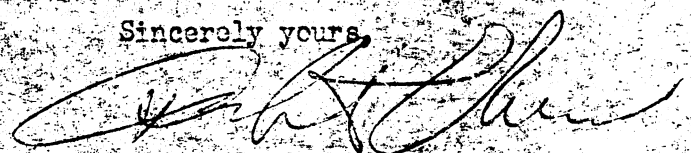
return to the city treasury amounts equivalent to the salaries of those individuals who provide care to the Center. Let me also make the following comments:

- 1 - Currently the above-mentioned salaries are provided in kind to the Center. With the Center collecting Medicaid payments, these salaries would be reimbursable;
- 2 - Both the city and the Center have made certain commitments to the continued existence of a delivery system such as that provided by the Neighborhood Family Care Center and these commitments I feel need to be recognized in any negotiations regarding Title XIX monies;
- 3 - The city has given the old Sullivan Post to the Neighborhood Family Care Center as a building to house a new clinic;
- 4 - The city and the Center have signed a contract with the Department of Housing & Urban Development for \$248,000 for the renovation of the Sullivan Post as a projected health center;
- 5 - Certain decisions regarding financial stability and the use of Title XIX monies must be made to honor these commitments.

I recognize that some of the above thoughts lie outside your jurisdiction, yet I felt they were necessary as a foundation for your decision. Specifically, is it possible to legally make an arrangement with the City of Cambridge for the Center, a private corporation, to collect Title XIX monies (along with private donations from other private foundations) retaining administrative and overhead expenses while returning salaries of caregivers to the City Treasury.


If you need further information I would be happy to sit with you to discuss these issues.

Sincerely yours



Dwight E. Conrad,  
Administrative Director

DEC:1f

  
Margaret Hovenerian,  
Chairman, Board of Directors

CC: Mr. Thomas August  
Dr. James Hartgering  
Mr. James Farrell  
*All Board Members*

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Herring

2000 lbs  
9 PM

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Herring set

— 200

Dec 10 at 8 PM

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CAMBRIDGE, MASSACHUSETTS 02139

TEL. 864-6510

RECEIVED BY  
OFFICE OF CITY CLERK  
NOV 21 3 52 PM '73  
CAMBRIDGE, MASS.

November 20, 1973

Pediatric  
and  
Adult Medicine

Psychiatric,  
Psychological  
and  
Social Services  
City Council  
c/o Mr. Paul Healy, Clerk  
City Hall  
Cambridge, Massachusetts

Dear Mr. Healy:

We are requesting that the Neighborhood Family Care Center be placed on the Agenda of the next City Council meeting, 26 November, to discuss with the Council the issues involved with the Center collecting Third Party (Medicaid) reimbursement for the services which we provide to some 16,000 residents of the City of Cambridge.

The particulars of the issues we wish to discuss with the City Council have been written in two separate letters to Mr. Edward McCarthy, City Solicitor. For you, and the Councils, information copies of these letters are enclosed.

Sincerely yours,



Dwight E. Conrad,  
Administrative Director



Margaret Hovenanian,  
Chairman, Board of Directors

DEC:jf  
Enclosure

462A

Comm from the Neighborhood Family Care Center, Inc. to discuss Third Party (Medicaid reimbursement for the services provided by the center for the residents of Cambridge

In City Council  
November 26, 1973

Hearing set for  
Dec 10th at 8 P.M.

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NOV 21 3 25 PM '73  
CAMBRIDGE MASS