APPEAL RECOMPUTATION
OF THE
RURAL HEALTH CLINIC
CHANGE IN SCOPE-OF-SERVICE REQUEST

MAMMOTH HOSPITAL SIERRA PARK CLINIC
MAMMOTH LAKES, CALIFORNIA
RHC PROVIDER NUMBER (NPI): 1053456400

FISCAL PERIOD ENDED
JUNE 30, 2009

Audits Section – Fresno
Financial Audits Branch
Audits and Investigations
Department of Health Care Services

Section Chief: Michael Harrold
Audit Supervisor: Kathy Atkins
Auditor: Jose Juarez

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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

May 1, 2014

Melanie Van Winkle, CFO
Southern Mono Health Care District
85 Sierra Park Road
Mammoth Lakes, CA 93546

PROVIDER LEGAL NAME: MAMMOTH HOSPITAL SIERRA PARK CLINIC
DBA: SIERRA PARK CLINIC
RHC PROVIDER NO. (NPI): 1053456400
FISCAL PERIOD ENDED JUNE 30, 2009
CASE NUMBER: RH13-0609-629G-AH

SUBJECT: CHANGE IN SCOPE-OF-SERVICE REQUEST APPEAL

Enclosed is the final settlement in accordance with the report of findings prepared by the Office of Administrative Hearings and Appeals dated January 24, 2014. The settlement in the above matter has been revised as follows:

The prospective payment system (PPS) rate as presented in Schedule 1 represent a proper determination in accordance with the reimbursement principles of the program. The rate and effective date is as follows:

PPS Rate	Effective Date
$289.88	July 1, 2009

In addition, your rate will be increased to:

$294.52, effective October 1, 2009
$298.05, effective October 1, 2010
$299.24, effective October 1, 2011
$301.04, effective October 1, 2012
$303.45, effective October 1, 2013

To reflect the MEI increases of 1.6%, 1.2%, 0.4%, 0.6% and 0.8% respectively.

This determination includes:

1. Computation of Revised PPS Rate (Schedule 1) and supporting schedules

2. Revision Adjustments

A copy of the revised PPS rates is being sent to the fiscal intermediary. If you have further questions regarding this report, please contact Jose Juarez, Auditor, at (559) 446-2468.

Sincerely,

Original Signed by

Michael A. Harrold, Chief
Audits Section - Fresno
Financial Audits Branch

Enclosures
Certified

STATE OF CALIFORNIA **SCHEDULE 1**

COMPUTATION OF CHANGE IN SCOPE-OF-SERVICE REQUEST

Provider Legal Name:	Provider No. (NPI)	Fiscal Period Ended:
MAMMOTH HOSPITAL SIERRA PARK CLINIC	1053456400	JUNE 30, 2009

		AUDITED	REVISED
PART A - DETERMINATION OF OVERHEAD APPLICABLE TO FQHC/RHC SERVICES			
1.	Total FQHC/RHC Health Care Services Cost (Sch 2, Ln 29)	$ 3,143,867	$ 3,394,191
2.	Nonreimbursable FQHC/RHC Costs Excluding Overhead (Sch 2, Ln 57)	$ -	$ -
3.	Cost of All Services Excluding Overhead (Ln 1 + Ln 2)	$ 3,143,867	$ 3,394,191
4.	Percentage of Nonreimbursable FQHC/RHC Costs (Ln 2 / Ln 3)	0.000000	0.000000
5.	Total Overhead -(Sch 2, Ln 53)	$ 3,450,406	$ 4,672,060
6.	Overhead Applicable to Non-Reimbursable FQHC/RHC Costs (Ln 5 x Ln 4)	$ -	$ -
7.	Overhead Applicable to FQHC/RHC Services (Ln 5 - Ln 6)	$ 3,450,406	$ 4,672,060
8.	Total Cost of FQHC/RHC Services (Ln 1 + Ln 7)	$ 6,594,273	$ 8,066,251
PART B - DETERMINATION OF FQHC/RHC RATE			
1.	Total FQHC/RHC Cost (PART A, Ln 8)	$ 6,594,273	$ 8,066,251
2.	Total FQHC/RHC Visits (From Provider Records) (Adj.)	26,416	26,416
3.	Total FQHC/RHC Nonreimbursable Services Visits (From Provider Records) (Adj.)		-
4.	Total FQHC/RHC Adjusted Visits (Ln 2 - Ln 3)	26,416	26,416
5.	FQHC/RHC Cost Per Visit (Ln 1 / Ln 4)	$ 249.63	$ 305.35
PART C - DETERMINATION OF PPS RATE ADJUSTMENT			
1.	FQHC/RHC Cost Per Visit (PART B, Ln 5)	$ 249.63	$ 305.35
2.	Current PPS rate per visit	$ 228.00	$ 228.00
3.	Net Increase or Decrease in FQHC/RHC Rate (Ln 1 - Ln 2) Show decrease in parenthesis	$ 21.63	$ 77.35
If line 3 is greater than zero (Line 1 is greater than Line 2) , proceed to line 4.			
If line 3 is less than zero (Line 1 is less than line 2), proceed to line 5.			
4.	Threshold Amount: Line 2 x 1.75% (Complete Part D if an increase on Line 3 is **equal** to or **greater** than this amount)	$ 3.99	$ 3.99
5.	Threshold Amount: Line 2 x 2.50% (Complete Part D if a decrease on Line 3 is **greater** than this amount) **See note 2**	$ 5.70	$ 5.70
PART D - FQHC/RHC RATE CHANGE			
1.	FQHC/RHC Rate increase or decrease (PART C, Ln 3) Show decrease in parenthesis	$ 21.63	$ 77.35
2.	FQHC/RHC Rate increase or decrease adjustment of 20% (Ln 1 x 20%)	$ 4.33	$ 15.47
3.	FQHC/RHC Rate increase or decrease after adjustment of 20% (Ln 1 - Ln 2)	$ 17.31	$ 61.88
4.	Current PPS rate per visit (from Line C2)	$ 228.00	$ 228.00
5.	New PPS Rate (Ln 3 plus Ln 4)	$ 245.31	$ 289.88

Notes:

(1) **The current PPS rate per visit means the PPS rate per visit in effect on the last day of the reporting period during which the scope-of-service change occurred.**

(2) **Reporting an increase that meets or exceeds the threshold of 1.75% is optional. If your rate decreased more than 2.5% AND you have experienced a decrease in the scope-of-services, filing is mandatory.**

STATE OF CALIFORNIA

SCHEDULE 2

CHANGE IN SCOPE-OF-SERVICE REQUEST
SCHEDULE OF TRIAL BALANCE EXPENSE

Provider Legal Name:	Provider No. (NPI)	Fiscal Period Ended:
MAMMOTH HOSPITAL SIERRA PARK CLINIC	1053456400	JUNE 30, 2009

	Cost Center	GROUPED AUDITED	REVISIONS	REVISED
	FQHC Health Care Cost		(From Sch 2A)	
1.	Physician	$0	$0	$0
2.	Physician Assistant	0	0	0
3.	Nurse Practitioner	125,426	(2,666)	122,760
4.	Other Nurse	461,247	(821)	460,426
5.	Laboratory Technician	0	0	0
6.	Other (Specify)	0	0	0
7.	Techs, Aides, & Other Contract Labor	251,536	(404)	251,132
8.		0	0	0
9.		0	0	0
10.		0	0	0
11.		0	0	0
12.		0	0	0
13.	Subtotal-FQHC Health Care Costs	$838,209	($3,891)	$834,318
14.	Physician Services Under Agreement	$2,012,705	$0	$2,012,705
15.	Physician Supervision	0	0	0
16.		0	0	0
17.	**Other Health Care Costs**			
18.	Pharmacy	$0	$0	$0
19.	Dental	0	0	0
20.	Optometry	0	0	0
21.	Medical Supplies	9,293	0	9,293
22.	Depreciation-Medical Equipment	0	0	0
23.	Professional Liability Insurance	105,735	0	105,735
24.	Home Office Direct Cost (from home ofc. cost report-sch 6)	0	0	0
25.	Other	7,924	0	7,924
26.	RHC Related Ancillary Services (Incident To)	170,001	254,215	424,216
27.		0	0	0
28.	Subtotal-Other Health Care Costs	$292,953	$254,215	$547,168
29.	Total Cost of FQHC Services (Sum of Lines 13, 14, 15, 16, and 28)	$3,143,867	$250,324	$3,394,191
	FQHC Overhead-Facility Cost			
30.	Rent	$0	$0	$0
31.	Laundry & Linen	190,601	(190,601)	0
32.	Housekeeping	126,760	(126,760)	0
33.	Utilities	293,568	0	293,568
34.	Depreciation-Building	282,852	0	282,852
35.	Depreciation-Equipment	164,444	0	164,444
36.	Housekeeping And Maintenance	185,954	1,899,995	2,085,949
37.	Property Tax	0	0	0
38.	Other (Specify)	0	0	0
39.	Nursing Admin	307,523	0	307,523
40.	Medical Records	90,207	0	90,207
41.	Subtotal-Facility Costs (Lines 30-40)	$1,641,909	$1,582,634	$3,224,543
	FQHC Overhead-Administrative Cost			
42.	Office Salaries	$1,333,778	($487,855)	$845,923
43.	Cafeteria	102,365	(102,365)	0
44.	Office Supplies	0	0	0
45.	Legal	0	0	0
46.	Accounting	0	0	0
47.	Insurance (Specify)	0	0	0
48.	Telephone	0	0	0
49.	Fringe Benefits And Payroll Taxes	372,354	229,240	601,594
50.	Home Office Pool Costs (from home ofc. cost report-sch 6)	0	0	0
51.	Other (Specify)	0	0	0
52.	Subtotal-Administrative Costs (Lines 42-51)	$1,808,497	($360,980)	$1,447,517
53.	Total Cost Subject To Allocation (Sum of Lines 41 and 52)	$3,450,406	$1,221,654	$4,672,060
54.	Nonreimbursable Costs (Specify)	$0	$0	$0
55.		0	0	0
56.		0	0	0
57.	Subtotal Nonreimbursable Costs	$0	$0	$0
58.	Total FQHC Costs (Sum of Lines 29, 53, and 57)	$6,594,273	$1,471,978	$8,066,251

STATE OF CALIFORNIA SCHEDULE 2.1

CHANGE IN SCOPE-OF-SERVICE REQUEST
GROUPING SCHEDULE OF TRIAL BALANCE EXPENSE

Provider Legal Name:	Provider No. (NPI)	Fiscal Period Ended:
MAMMOTH HOSPITAL SIERRA PARK CLINIC	1053456400	JUNE 30, 2009

Cost Center	AUDITED	RECLASS	GROUPED REVISED
FQHC Health Care Cost		(Adj)	(To Sch 2)
1. Physician	$0	$0	$0
2. Physician Assistant	0	0	0
3. Nurse Practitioner	125,426	0	125,426
4. Other Nurse	461,247	0	461,247
5. Laboratory Technician	0	0	0
6. Other (Specify)	0	0	0
7. Techs, Aides, & Other Contract Labor	251,536	0	251,536
8.	0	0	0
9.	0	0	0
10.	0	0	0
11.	0	0	0
12.	0	0	0
13. Subtotal-FQHC Health Care Costs	$838,209	$0	$838,209
14. Physician Services Under Agreement	$2,012,705	$0	$2,012,705
15. Physician Supervision	0	0	0
16.	0	0	0
17. **Other Health Care Costs**			
18. Pharmacy	$0	$0	$0
19. Dental	0	0	0
20. Optometry	0	0	0
21. Medical Supplies	9,293	0	9,293
22. Depreciation-Medical Equipment	0	0	0
23. Professional Liability Insurance	105,735	0	105,735
24. Home Office Direct Cost (from home ofc. cost report-sch 6)	0	0	0
25. Other (Specify)	7,924	0	7,924
26. RHC Related Ancillary Services (Incident To)	170,001	0	170,001
27.	0	0	0
28. Subtotal-Other Health Care Costs	$292,953	$0	$292,953
29. Total Cost of FQHC Services (Sum of Lines 13, 14, 15, 16, and 28)	$3,143,867	$0	$3,143,867
FQHC Overhead-Facility Cost			
30. Rent	$0	0	$0
31. Laundry & Linen	190,601	0	190,601
32. Housekeeping	126,760	0	126,760
33. Utilities	293,568	0	293,568
34. Depreciation-Building	282,852	0	282,852
35. Depreciation-Equipment	164,444	0	164,444
36. Housekeeping And Maintenance	185,954		185,954
37. Property Tax	0	0	0
38. Other (Specify)	0	0	0
39. Nursing Admin	307,523	0	307,523
40. Medical Records	90,207	0	90,207
41. Subtotal-Facility Costs (Lines 30-40)	$1,641,909	$0	$1,641,909
FQHC Overhead-Administrative Cost			
42. Office Salaries	$1,333,778		$1,333,778
43. Cafeteria	102,365	0	102,365
44. Office Supplies	0		0
45. Legal	0	0	0
46. Accounting	0	0	0
47. Insurance (Specify)	0	0	0
48. Telephone	0	0	0
49. Fringe Benefits And Payroll Taxes	372,354	0	372,354
50. Home Office Pool Costs (from home ofc. cost report-sch 6)	0	0	0
51. Other (Specify)	0		0
52. Subtotal-Administrative Costs (Lines 42-51)	$1,808,497	$0	$1,808,497
53. Total Cost Subject To Allocation (Sum of Lines 41 and 52)	$3,450,406	$0	$3,450,406
54. Nonreimbursable Costs (Specify)	$0	$0	$0
55.	0	0	0
56.	0	0	0
57. Subtotal Nonreimbursable Costs	$0	$0	$0
58. Total FQHC Costs (Sum of Lines 29, 53, and 57)	$6,594,273	$0	$6,594,273

STATE OF CALIFORNIA

SCHEDULE 2A

REVISIONS TO CHANGE IN SCOPE-OF-SERVICE REQUEST

Provider Legal Name:	Provider No. (NPI)	Fiscal Period Ended:
MAMMOTH HOSPITAL SIERRA PARK CLINIC	1053456400	JUNE 30, 2009

	Cost Center	Total	Audit Rev (No. 1)	Audit Rev (No. 2)	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)
	FQHC Health Care Cost							
1.	Physician	0						
2.	Physician Assistant	0						
3.	Nurse Practitioner	(2,666)		(2,666)				
4.	Other Nurse	(821)		(821)				
5.	Laboratory Technician	0						
6.	Other (Specify)	0						
7.	Techs, Aides, & Other Contract Labor	(404)		(404)				
8.		0						
9.		0						
10.		0						
11.		0						
12.		0						
13.	Subtotal-FQHC Health Care Costs	(3,891)	0	(3,891)	0	0	0	0
14.	Physician Services Under Agreement	0						
15.	Physician Supervision	0						
16.		0						
17.	**Other Health Care Costs**							
18.	Pharmacy	0						
19.	Dental	0						
20.	Optometry	0						
21.	Medical Supplies	0						
22.	Depreciation-Medical Equipment	0						
23.	Professional Liability Insurance	0						
24.	Home Office Direct Cost (from home ofc. cost report	0						
25.	Other	0						
26.	RHC Related Ancillary Services (Incident To)	254,215	254,215					
27.		0						
28.	Subtotal-Other Health Care Costs	254,215	254,215	0	0	0	0	0
29.	Total Cost of FQHC Services (Sum of Lines 13, 14, 15, 16, and 28)	250,324	254,215	(3,891)	0	0	0	0
	FQHC Overhead-Facility Cost							
30.	Rent	0						
31.	Laundry & Linen	(190,601)		(190,601)				
32.	Housekeeping	(126,760)		(126,760)				
33.	Utilities	0						
34.	Depreciation-Building	0						
35.	Depreciation-Equipment	0						
36.	Housekeeping And Maintenance	1,899,995		1,899,995				
37.	Property Tax	0						
38.	Other (Specify)	0						
39.	Nursing Admin	0						
40.	Medical Records	0						
41.	Subtotal-Facility Costs (Lines 30-40)	1,582,634	0	1,582,634	0	0	0	0
	FQHC Overhead-Administrative Cost							
42.	Office Salaries	(487,855)		(487,855)				
43.	Cafeteria	(102,365)		(102,365)				
44.	Office Supplies	0						
45.	Legal	0						
46.	Accounting	0						
47.	Insurance (Specify)	0						
48.	Telephone	0						
49.	Fringe Benefits And Payroll Taxes	229,240		229,240				
50.	Home Office Pool Costs (from home ofc. cost report	0						
51.	Other (Specify)	0						
52.	Subtotal-Administrative Costs (Lines 42-51)	(360,980)	0	(360,980)	0	0	0	0
53.	Total Cost Subject To Allocation (Sum of Lines 41 and 52)	1,221,654	0	1,221,654	0	0	0	0
54.	Nonreimbursable Costs (Specify)	0						
55.		0						
56.		0						
57.	Subtotal Nonreimbursable Costs	0	0	0	0	0	0	0
58.	Total FQHC Costs (Sum of Lines 29, 53, and 57)	1,471,978	254,215	1,217,763	0	0	0	0

STATE OF CALIFORNIA

SCHEDULE 2A

REVISIONS TO CHANGE IN SCOPE-OF-SERVICE REQUEST

Provider Legal Name:	Provider No.	Fiscal Period Ended:
MAMMOTH HOSPITAL SIERRA PARK CLINIC	1053456400	JUNE 30, 2009

	Cost Center	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)	Audit Rev (No.)
	FQHC Health Care Cost							
1.	Physician							
2.	Physician Assistant							
3.	Nurse Practitioner							
4.	Other Nurse							
5.	Laboratory Technician							
6.	Other (Specify)							
7.	Techs, Aides, & Other Contract Labor							
8.								
9.								
10.								
11.								
12.								
13.	Subtotal-FQHC Health Care Costs	0	0	0	0	0	0	0
14.	Physician Services Under Agreement							
15.	Physician Supervision							
16.								
17.	**Other Health Care Costs**							
18.	Pharmacy							
19.	Dental							
20.	Optometry							
21.	Medical Supplies							
22.	Depreciation-Medical Equipment							
23.	Professional Liability Insurance							
24.	Home Office Direct Cost (from home ofc. cost report							
25.	Other							
26.	RHC Related Ancillary Services (Incident To)							
27.								
28.	Subtotal-Other Health Care Costs	0	0	0	0	0	0	0
29.	Total Cost of FQHC Services (Sum of Lines 13, 14, 15, 16, and 28)	0	0	0	0	0	0	0
	FQHC Overhead-Facility Cost							
30.	Rent							
31.	Laundry & Linen							
32.	Housekeeping							
33.	Utilities							
34.	Depreciation-Building							
35.	Depreciation-Equipment							
36.	Housekeeping And Maintenance							
37.	Property Tax							
38.	Other (Specify)							
39.	Nursing Admin							
40.	Medical Records							
41.	Subtotal-Facility Costs (Lines 30-40)	0	0	0	0	0	0	0
	FQHC Overhead-Administrative Cost							
42.	Office Salaries							
43.	Cafeteria							
44.	Office Supplies							
45.	Legal							
46.	Accounting							
47.	Insurance (Specify)							
48.	Telephone							
49.	Fringe Benefits And Payroll Taxes							
50.	Home Office Pool Costs (from home ofc. cost report							
51.	Other (Specify)							
52.	Subtotal-Administrative Costs (Lines 42-51)	0	0	0	0	0	0	0
53.	Total Cost Subject To Allocation (Sum of Lines 41 and 52)	0	0	0	0	0	0	0
54.	Nonreimbursable Costs (Specify)							
55.								
56.								
57.	Subtotal Nonreimbursable Costs	0	0	0	0	0	0	0
58.	Total FQHC Costs (Sum of Lines 29, 53, and 57)	0	0	0	0	0	0	0

Provider Legal Name	Fiscal Period	Provider Number (NPI)	Revisions
MAMMOTH HOSPITAL SIERRA PARK CLINIC	JULY 1, 2008 THROUGH JUNE 30, 2009	1053456400	2

Adj. No.	Report References: Change in Scope-of-Service Report: Schedule	Line	Change in Scope-of-Service Request: Worksheet	Line	Explanation of Audit Revisions	As Audited	Increase (Decrease)	As Revised
1	2A	26	2	26	RHC Related Ancillary Services (Incident To)	$170,001	$254,215	$424,216
					Appeal Finding - Issue No. 2, Adjustment 7			
2	2A	3	2	3	Nurse Practitioner	$125,426	($2,666)	$122,760
	2A	4	2	4	Other Nurse (RN, LVN)	461,247	(821)	460,426
	2A	7	2	7	Tech, Aides, and Contract Labor	251,536	(404)	251,132
	2A	31	2	31	Laundry and Linen	$190,601	($190,601)	$0
	2A	32	2	32	Housekeeping	126,760	(126,760)	0
	2A	36	2	36	Housekeeping and Maintenance	185,954	1,899,995	2,085,949
	2A	42	2	42	Office Salaries	1,333,778	(487,855)	845,923
	2A	43	2	43	Cafeteria	102,365	(102,365)	0
	2A	49	2	49	Fringe Benefits and Payroll Taxes	372,354	229,240	601,594
					Appeal Finding - Issue No. 3, Adjustments 6, 8			