

**REPORT
ON THE
FEDERALLY QUALIFIED HEALTH CENTER
CHANGE IN SCOPE-OF-SERVICE REQUEST
VISTA COMMUNITY CLINIC
VISTA, CALIFORNIA
NATIONAL PROVIDER IDENTIFIERS: 1295822658,
1851300123, AND 1649363375**

**FISCAL PERIOD ENDED
JUNE 30, 2012**

**Audits Section—San Diego
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Patricia M. Fox
Audit Supervisor: Woosung Lee
Auditor: Jeff Cates**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 7, 2013

Michele Lambert, CFO
Vista Community Clinic
465 La Tortuga Drive
Vista, CA 92081

PROVIDER LEGAL NAME: VISTA COMMUNITY CLINIC
DBA: VISTA COMMUNITY CLINIC—VALE TERRACE, VISTA COMMUNITY CLINIC—GRAPEVINE, AND VISTA COMMUNITY CLINIC—PIER VIEW WAY
NATIONAL PROVIDER IDENTIFIERS: 1295822658, 1851300123, AND 1649363375
FISCAL PERIOD ENDED JUNE 30, 2012

SUBJECT: CHANGE IN SCOPE-OF-SERVICE REQUEST

We have examined the Clinic's Federally Qualified Health Center (FQHC) Change in Scope-of-Service Request for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code. The review was limited to the Change in Scope-of-Service Request and the supporting documentation.

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

<u>PPS Rate</u>	<u>Effective Dates</u>
\$150.21	July 1, 2012 through September 30, 2012

In addition, your rate will be increased as follows:

<u>PPS Rate</u>	<u>MEI</u>	<u>Adjusted PPS Rate</u>	<u>Effective Dates</u>
\$ 150.21	0.8%	\$ 151.41	October 1, 2012 through September 30, 2013

We have instructed the Provider Enrollment Division to adjust your interim Medi-Cal Crossover rate (Code 02) to \$29.42, your Managed Care rate (Code 18) to \$66.21 and your Healthy Families Plan rate (Code 19) to \$46.98, effective June 1, 2013.

This determination includes:

1. Computation of Audited PPS Rate (Schedule 1) and supporting schedules
2. Audit Adjustments

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

If you disagree with the decision of the Department, you may appeal by writing to:

Chief
Department of Health Care Services
Office of Administrative Hearings and Appeals
1029 J Street, Suite 200
Sacramento, CA 95814
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

United States Postal Service (USPS)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
PO Box 997413
Sacramento, CA 95899

Courier (UPS, FedEx, etc.)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
1501 Capitol Avenue, Suite 71.5001
Sacramento, CA 95814
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, section 14171, and Title 22, California Code of Regulations, section 51016, et seq.

If you have questions regarding this report, you may call the Audits Section—San Diego at (619) 688-3200.

Originally signed by:

Patricia M. Fox, Chief
Audits Section—San Diego
Financial Audits Branch

Certified

COMPUTATION OF CHANGE IN SCOPE-OF-SERVICE REQUEST

Provider Legal Name:

NPIs

Fiscal Period Ended:

VISTA COMMUNITY CLINIC

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JUNE 30, 2012

PART A - DETERMINATION OF OVERHEAD APPLICABLE TO FQHC/RHC SERVICES

	REPORTED	AUDITED
1. Total FQHC/RHC Health Care Services Cost (Sch 2, Ln 29)	\$ 16,456,829	\$ 16,456,829
2. Nonreimbursable FQHC/RHC Costs Excluding Overhead (Sch 2, Ln 57)	\$ -	\$ -
3. Cost of All Services Excluding Overhead (Ln 1 + Ln 2)	\$ 16,456,829	\$ 16,456,829
4. Percentage of Nonreimbursable FQHC/RHC Costs (Ln 2 / Ln 3)	0.000000	0.000000
5. Total Overhead -(Sch 2, Ln 53)	\$ 11,466,226	\$ 10,599,082
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)	\$ 11,466,226	\$ 10,599,082
8. Total Cost of FQHC/RHC Services (Ln 1 + Ln 7)	\$ 27,923,055	\$ 27,055,911

PART B - DETERMINATION OF FQHC/RHC RATE

1. Total FQHC/RHC Cost (PART A, Ln 8)	\$ 27,923,055	\$ 27,055,911
2. Total FQHC/RHC Visits (From Provider Records) (Adj. 4)	172,123	173,188
3. Total FQHC/RHC Nonreimbursable Services Visits (From Provider Records) (Adj.)	-	-
4. Total FQHC/RHC Adjusted Visits (Ln 2 - Ln 3)	172,123	173,188
5. FQHC/RHC Cost Per Visit (Ln 1 / Ln 4)	\$ 162.23	\$ 156.22

PART C - DETERMINATION OF PPS RATE ADJUSTMENT

1. FQHC/RHC Cost Per Visit (PART B, Ln 5)	\$ 162.23	\$ 156.22
2. Current PPS rate per visit	\$ 126.16	\$ 126.16
3. Net Increase or Decrease in FQHC/RHC Rate (Ln 1 - Ln 2) Show decrease in parenthesis	\$ 36.07	\$ 30.06

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)	\$ 2.21	\$ 2.21
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	\$ 3.15	\$ 3.15

PART D - FQHC/RHC RATE CHANGE

1. FQHC/RHC Rate increase or decrease (PART C, Ln 3) Show decrease in parenthesis	\$ 36.07	\$ 30.06
2. FQHC/RHC Rate increase or decrease adjustment of 20% (Ln 1 x 20%)	\$ 7.21	\$ 6.01
3. FQHC/RHC Rate increase or decrease after adjustment of 20% (Ln 1 - Ln 2)	\$ 28.85	\$ 24.05
4. Current PPS rate per visit (from Line C2)	\$ 126.16	\$ 126.16
5. New PPS Rate (Ln 3 plus Ln 4)	\$ 155.01	\$ 150.21

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.

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

Provider Legal Name:

NPIs

Fiscal Period Ended:

VISTA COMMUNITY CLINIC

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JUNE 30, 2012

Cost Center	REPORTED	ADJUSTMENTS (From Sch 2A)	AUDITED
FQHC Health Care Cost			
1. Physician	\$3,108,586	\$0	\$3,108,586
2. Physician Assistant	165,365	0	165,365
3. Nurse Practitioner	1,453,842	0	1,453,842
4. Other Nurse	0	0	0
5. Laboratory Technician	0	0	0
6. Other (Specify)	6,987,020	0	6,987,020
7.	0	0	0
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	\$11,714,813	\$0	\$11,714,813
14. Physician Services Under Agreement	\$155,438	\$0	\$155,438
15. Physician Supervision	0	0	0
16.	0	0	0
17. Other Health Care Costs			
18. Pharmacy	\$1,740,695	\$0	\$1,740,695
19. Dental	1,613,878	0	1,613,878
20. Optometry	0	0	0
21. Medical Supplies	627,148	0	627,148
22. Depreciation-Medical Equipment	0	0	0
23. Professional Liability Insurance	0	0	0
24. Home Office Direct Cost (from home ofc. cost report-sch 6)	604,857	0	604,857
25. Other (Specify)	0	0	0
26. Laboratory	0	0	0
27. Radiology	0	0	0
28. Subtotal-Other Health Care Costs	\$4,586,578	\$0	\$4,586,578
29. Total Cost of FQHC Services (Sum of Lines 13, 14, 15, 16, and 28)	\$16,456,829	\$0	\$16,456,829
FQHC Overhead-Facility Cost			
30. Rent	\$40,974	0	\$40,974
31. Insurance	36,106	0	36,106
32. Interest Expense	0	0	0
33. Utilities	282,307	0	282,307
34. Depreciation-Building	775,638	(67,924)	707,714
35. Depreciation-Equipment	192,871	0	192,871
36. Housekeeping And Maintenance	466,923	0	466,923
37. Property Tax	0	0	0
38. Other (Specify)	150,919	0	150,919
39.	0	0	0
40.	0	0	0
41. Subtotal-Facility Costs (Lines 30-40)	\$1,945,738	(\$67,924)	\$1,877,814
FQHC Overhead-Administrative Cost			
42. Office Salaries	\$4,319,826	(\$532,884)	\$3,786,942
43. Depreciation-Office Equipment	0	0	0
44. Office Supplies	1,021,939	0	1,021,939
45. Legal	0	0	0
46. Accounting	1,795	0	1,795
47. Insurance (Specify)	92,777	0	92,777
48. Telephone	180,040	0	180,040
49. Fringe Benefits and Payroll Taxes	0	0	0
50. Home Office Pool Costs (from home ofc. cost report-sch 6)	3,258,766	0	3,258,766
51. Other (Specify)	645,345	(266,336)	379,009
52. Subtotal-Administrative Costs (Lines 42-51)	\$9,520,488	(\$799,220)	\$8,721,268
53. Total Cost Subject To Allocation (Sum of Lines 41 and 52)	\$11,466,226	(\$867,144)	\$10,599,082
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)	\$27,923,055	(\$867,144)	\$27,055,911

Provider Legal Name:	ADJUSTMENTS TO CHANGE IN SCOPE-OF-SERVICE REQUEST						ADJUSTMENTS TO CHANGE IN SCOPE-OF-SERVICE REQUEST						
	NPIs			Fiscal Period Ended:			Provider No.			Fiscal Period Ended:			
	SEE TITLE PAGE			JUNE 30, 2012			SEE TITLE PAGE			JUNE 30, 2012			
Cost Center	Total	Adjustment (No.1)	Adjustment (No. 2)	Adjustment (No. 3)	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment
FQHC Health Care Cost													
1. Physician	0												
2. Physician Assistant	0												
3. Nurse Practitioner	0												
4. Other Nurse	0												
5. Laboratory Technician	0												
6. Other (Specify)	0												
7.													
8.	0												
9.	0												
10.	0												
11.	0												
12.	0												
13. Subtotal-FQHC Health Care Costs	0	0	0	0	0	0	0	0	0	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-sch 6)	0												
25. Other (Specify)	0												
26. Laboratory	0												
27. Radiology	0												
28. Subtotal-Other Health Care Costs	0	0	0	0	0	0	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	0	0	0	0	0	0
FQHC Overhead-Facility Cost													
30. Rent	0												
31. Insurance	0												
32. Interest Expense	0												
33. Utilities	0												
34. Depreciation-Building	(67,924)	(67,924)											
35. Depreciation-Equipment	0												
36. Housekeeping And Maintenance	0												
37. Property Tax	0												
38. Other (Specify)	0												
39.	0												
40.	0												
41. Subtotal-Facility Costs (Lines 30-40)	(67,924)	(67,924)	0	0	0	0	0	0	0	0	0	0	0
FQHC Overhead-Administrative Cost													
42. Office Salaries	(532,884)		(532,884)										
43. Depreciation-Office Equipment	0												
44. Office Supplies	0												
45. Legal	0												
46. Accounting	0												
47. Insurance (Specify)	0												
48. Telephone	0												
49. Fringe Benefits and Payroll Taxes	0												
50. Home Office Pool Costs (from home ofc. cost report-sch 6)	0												
51. Other (Specify)	(266,336)			(266,336)									
52. Subtotal-Administrative Costs (Lines 42-51)	(799,220)	0	(532,884)	(266,336)	0	0	0	0	0	0	0	0	0
53. Total Cost Subject To Allocation (Sum of Lines 41 and 52)	(867,144)	(67,924)	(532,884)	(266,336)	0	0	0	0	0	0	0	0	0
54. Nonreimbursable Costs (Specify)	0												
55.	0												
56.	0												
57. Subtotal Nonreimbursable Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
58. Total FQHC Costs (Sum of Lines 29, 53, and 57)	(867,144)	(67,924)	(532,884)	(266,336)	0	0	0	0	0	0	0	0	0

Provider Legal Name				Fiscal Period		NPIs		Adjustments
VISTA COMMUNITY CLINIC				JULY 1, 2011 THROUGH JUNE 30, 2012		SEE TITLE PAGE		4
Report References					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Change in Scope-of-Service Report		Change in Scope-of-Service Request					
	Schedule	Line	Worksheet	Line				
<u>ADJUSTMENTS TO REPORTED COSTS</u>								
1	2A	34	2	34	Depreciation-Building To eliminate home office depreciation-building expense not related to patient care in concurrence with the provider. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300, and 2304	\$775,638	(\$67,924)	\$707,714
2	2A	42	2	42	Office Salaries To eliminate consultants and subcontractors expenses not related to patient care in concurrence with the provider. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300, and 2304	\$4,319,826	(\$532,884)	\$3,786,942
3	2A	51	2	51	Other (Specify) To eliminate other expenses not related to patient care in concurrence with the provider. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300, and 2304	\$645,345	(\$266,336)	\$379,009

Provider Legal Name					Fiscal Period		NPIs		Adjustments
VISTA COMMUNITY CLINIC					JULY 1, 2011 THROUGH JUNE 30, 2012		SEE TITLE PAGE		4
Report References					Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Change in Scope-of-Service Report		Change in Scope-of-Service Request						
	Schedule	Line	Worksheet	Line					
<u>ADJUSTMENT TO REPORTED VISITS</u>									
4	1	B2	3	B2	Total FQHC Visits To adjust total FQHC visits to agree with provider's records. 42 CFR 405.2463, 405.2470, 413.20, and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code, Section 14132.100(g)		172,123	1,065	173,188