REPORT ON THE
FEDERALLY QUALIFIED HEALTH CENTER
PROSPECTIVE PAYMENT SYSTEM RATE AUDIT

COMPREHENSIVE HEALTH CENTER—DOWNTOWN
SAN DIEGO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1073790390

FISCAL PERIOD ENDED
DECEMBER 31, 2009

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

Section Chief: Patricia M. Fox
Audit Supervisor: Sergio Gonzalez
Auditor: Angelica R. Aguilar

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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

April 5, 2013

Ed Martinez
Chief Executive Officer
San Ysidro Health Center, Inc.
1275 30th Street
San Diego, CA 92154

COMPREHENSIVE HEALTH CENTER—DOWNTOWN
NATIONAL PROVIDER IDENTIFIER (NPI) 1073790390
FISCAL PERIOD ENDED DECEMBER 31, 2009

We have examined the Clinic's Federally Qualified Health Center (FQHC) Medi-Cal Prospective Payment System (PPS) rate cost report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code. It was limited to a review of the PPS rate cost report, accompanying financial statements, Medi-Cal Provider Claims Data Report, and Medicare audit report for the current fiscal period, if applicable and available.

The PPS rate as presented in Schedule 1 represents a proper determination in accordance with the reimbursement principles of the program.

The rates and effective dates are as follows:

PPS Rate	Effective Dates
$216.98	August 25, 2008 through September 30, 2009

In addition, your rate will be increased as follows:

PPS Rate	MEI	Adjusted PPS Rate	Effective Dates
$216.98	1.6%	$220.45	October 1, 2009 through September 30, 2010
$220.45	1.2%	$223.10	October 1, 2010 through September 30, 2011
$223.10	0.4%	$223.99	October 1, 2011 through September 30, 2012
$223.99	0.6%	$225.33	October 1, 2012 through September 30, 2013

We have instructed the Provider Enrollment Division to adjust your interim Managed Care rate (Code 18) to $156.14, your interim Health Families rate (Code 19) to $186.16 and your interim Medicare Crossover rate (Code 02) to $121.75 effective May 1, 2013. This Audit Report includes the:

1. Computation of Medi-Cal Prospective Payment System Rate (Schedule 1) and supporting schedules
2. Audit Adjustments Schedules

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

STATE OF CALIFORNIA **SCHEDULE 1**

COMPUTATION OF MEDI-CAL PROSPECTIVE PAYMENT SYSTEM RATE

Provider Name:	**NPI:**	**Fiscal Period Ended:**
COMPREHENSIVE HEALTH CENTER—DOWNTOWN	**1073790390**	**DECEMBER 31, 2009**

PART A—DETERMINATION OF OVERHEAD APPLICABLE TO MEDICAL SERVICES	**REPORTED**	**AUDITED**
1. Cost of Services Excluding Overhead (Sch 2, L 29)	$ 598,827	$ 598,827
2. Nonreimbursable Costs Excluding Overhead (Sch 2, L 57)	7,819	7,819
3. Cost of All Services Excluding Overhead (L A1 + L A2)	$ 606,646	$ 606,646
4. Percentage of Nonreimbursable Costs (L A2 / L A3)	0.012889	0.012889
5. Total Overhead (Sch 2, L 53)	$ 762,482	$ 771,149
6. Overhead Applicable to Nonreimbursable Costs (L A4 * L A5)	9,828	9,939
7. Overhead Applicable to Medical Services (L A5 - L A6)	752,654	761,210
8. Total Cost of Medical Services (L A1 + L A7)	$ 1,351,481	$ 1,360,037
PART B—DETERMINATION OF PPS RATE		
1. Total Medical Costs (L A8)	$ 1,351,481	$ 1,360,037
2. Total FQHC/RHC Visits (Adj 2)	6,919	6,928
3. Total FQHC/RHC Nonreimbursable Services Visits (Adj 3)	659	660
4. FQHC/RHC Adjusted Visits (L B2 - L B3)	6,260	6,268
5. FQHC/RHC PPS Rate Per Visit (L B1 / L B4)	$ 215.89	$ 216.98

STATE OF CALIFORNIA **SCHEDULE 2**

SCHEDULE OF TRIAL BALANCE EXPENSES

Provider Name:	**NPI:**	**Fiscal Period Ended:**
COMPREHENSIVE HEALTH CENTER—DOWNTOWN	**1073790390**	**DECEMBER 31, 2009**

Cost Center	**REPORTED**	**ADJUSTMENTS** (From Sch 2A)	**AUDITED**
FQHC/RHC Health Care Cost			
1. Physician	$254,257	$0	$254,257
2. Physician Assistant	14,655	0	14,655
3. Nurse Practitioner	29,858	0	29,858
4. Other Nurse	39,509	0	39,509
5. Laboratory Technician	59,087	0	59,087
6. Education and Outreach	0	0	0
7. Case Management	10,616	0	10,616
8. Other Medical	0	0	0
9. Medical Records	52,377	0	52,377
10. Support Staff	98,510	0	98,510
11. Mental Health	0	0	0
12. Other (specify):	0	0	0
13. Subtotal FQHC/RHC Health Care Costs (lines 1-12)	$558,869	$0	$558,869
14. Physician Services Under Agreement	$1,200	$0	$1,200
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	22,094	0	22,094
22. Depreciation—Medical Equipment	0	0	0
23. Professional Liability Insurance	0	0	0
24. Home Office Direct Cost (from Home Office Cost Report Schedule 6)	16,664	0	16,664
25. Laboratory	0	0	0
26. Radiology	0	0	0
27. Minor Medical Equipment and Rental/CME	0	0	0
28. Subtotal-Other Health Care Costs (lines 18-27)	$38,758	$0	$38,758
29. Total Health Care Costs (sum of lines 13, 14-16, and 28)	$598,827	$0	$598,827
FQHC/RHC Overhead-Facility Costs			
30. Rent	$149,382	$0	$149,382
31. Insurance	0	0	0
32. Interest Expense	0	0	0
33. Utilities	0	0	0
34. Depreciation—Building	0	0	0
35. Depreciation—Equipment	164	0	164
36. Housekeeping and Maintenance	8,348	0	8,348
37. Property Tax	165	0	165
38. Minor Equipment	12,206	0	12,206
39. Home Office Pool Costs (from Home Office Cost Report Schedule 6)	84,056	0	84,056
40.	0	0	0
41. Subtotal-Facility Costs (lines 30-40)	$254,321	$0	$254,321
FQHC/RHC Overhead-Administrative Cost			
42. Office Salaries	$207,691	$0	$207,691
43. Depreciation—Office Equipment	0	0	0
44. Office Supplies	19,618	0	19,618
45. Legal	0	0	0
46. Accounting	0	8,667	8,667
47. Insurance (specify):	0	0	0
48. Telephone	6,417	0	6,417
49. Fringe Benefits and Payroll Taxes	0	0	0
50. Home Office Pool Costs (from Home Office Cost Report Schedule 6)	238,639	0	238,639
51. Other (Contracting/Consulting/Misc. Admin)	35,796	0	35,796
52. Subtotal-Administrative Costs (lines 42-51)	$508,161	$8,667	$516,828
53. Total Cost Subject To Allocation (sum of lines 41 and 52)	$762,482	$8,667	$771,149
54. Nonreimbursable Costs (specify):	$0	$0	$0
55. Bad Debts	0	0	0
56. Nonreimbursable (Home Office Costs)	7,819	0	7,819
57. Subtotal Nonreimbursable Costs (lines 54-56)	$7,819	$0	$7,819
58. Total FQHC/RHC Costs (sum of lines 29, 53, and 57)	$1,369,128	$8,667	$1,377,795

ADJUSTMENTS TO REPORTED COSTS

Provider Name: COMPREHENSIVE HEALTH CENTER—DOWNTOWN

NPI: 1073790390

Fiscal Period Ended: DECEMBER 31, 2009

Cost Center	Total	Adjustment 1	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment
FQHC/RHC Health Care Cost							
1. Physician	0						
2. Physician Assistant	0						
3. Nurse Practitioner	0						
4. Other Nurse	0						
5. Laboratory Technician	0						
6. Education and Outreach	0						
7. Case Management	0						
8. Other Medical	0						
9. Medical Records	0						
10. Support Staff	0						
11. Mental Health	0						
12. Other (specify):	0						
13. Subtotal FQHC/RHC Health Care Costs (lines 1-12)	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 Office Cost Report Schedule 6)	0						
25. Laboratory	0						
26. Radiology	0						
27. Minor Medical Equipment and Rental/CME	0						
28. Subtotal-Other Health Care Costs (lines 18-27)	0	0	0	0	0	0	0
29. Total Health Care Costs (sum of lines 13, 14-16, and 28)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Facility Costs							
30. Rent	0						
31. Insurance	0						
32. Interest Expense	0						
33. Utilities	0						
34. Depreciation—Building	0						
35. Depreciation—Equipment	0						
36. Housekeeping and Maintenance	0						
37. Property Tax	0						
38. Minor Equipment	0						
39. Home Office Pool Costs (from Home Office Cost Report Schedule 6)	0						
40.	0						
41. Subtotal-Facility Costs (lines 30-40)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Administrative Cost							
42. Office Salaries	0						
43. Depreciation—Office Equipment	0						
44. Office Supplies	0						
45. Legal	0						
46. Accounting	8,667	8,667					
47. Insurance (specify):	0						
48. Telephone	0						
49. Fringe Benefits and Payroll Taxes	0						
50. Home Office Pool Costs (from Home Office Cost Report Schedule 6)	0						
51. Other (Contracting/Consulting/Misc. Admin)	0						
52. Subtotal-Administrative Costs (lines 42-51)	8,667	8,667	0	0	0	0	0
53. Total Cost Subject To Allocation (sum of lines 41 and 52)	8,667	8,667	0	0	0	0	0
54. Nonreimbursable Costs (specify):	0						
55. Bad Debts	0						
56. Nonreimbursable (Home Office Costs)	0						
57. Subtotal Nonreimbursable Costs (lines 54-56)	0	0	0	0	0	0	0
58. Total FQHC/RHC Costs (sum of lines 29, 53, and 57)	8,667	8,667	0	0	0	0	0

ADJUSTMENTS TO REPORTED COSTS

Provider Name:	NPI:	Fiscal Period Ended:
COMPREHENSIVE HEALTH CENTER—DOWNTOWN	1073790390	DECEMBER 31, 2009

Cost Center	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment	Adjustment
FQHC/RHC Health Care Cost							
1. Physician							
2. Physician Assistant							
3. Nurse Practitioner							
4. Other Nurse							
5. Laboratory Technician							
6. Education and Outreach							
7. Case Management							
8. Other Medical							
9. Medical Records							
10. Support Staff							
11. Mental Health							
12. Other (specify):							
13. Subtotal FQHC/RHC Health Care Costs (lines 1-12)	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 Office Cost Report Schedule 6)							
25. Laboratory							
26. Radiology							
27. Minor Medical Equipment and Rental/CME							
28. Subtotal-Other Health Care Costs (lines 18-27)	0	0	0	0	0	0	0
29. Total Health Care Costs (sum of lines 13, 14-16, and 28)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Facility Costs							
30. Rent							
31. Insurance							
32. Interest Expense							
33. Utilities							
34. Depreciation—Building							
35. Depreciation—Equipment							
36. Housekeeping and Maintenance							
37. Property Tax							
38. Minor Equipment							
39. Home Office Pool Costs (from Home Office Cost Report Schedule 6)							
40.							
41. Subtotal-Facility Costs (lines 30-40)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Administrative Cost							
42. Office Salaries							
43. Depreciation—Office Equipment							
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 Office Cost Report Schedule 6)							
51. Other (Contracting/Consulting/Misc. Admin)							
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. Bad Debts							
56. Nonreimbursable (Home Office Costs)							
57. Subtotal Nonreimbursable Costs (lines 54-56)	0	0	0	0	0	0	0
58. Total FQHC/RHC Costs (sum of lines 29, 53, and 57)	0	0	0	0	0	0	0

Provider Name	Fiscal Period	NPI	Adjustments
COMPREHENSIVE HEALTH CENTER—DOWNTOWN	JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	1073790390	3

Adj. No.	Report References: Audit Report Schedule	Audit Report Line	Cost Report Worksheet	Cost Report Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
					ADJUSTMENT TO REPORTED COSTS			
1	2A	46	1	46	Accounting To include accounting fees applicable to the facility. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$0	$8,667	$8,667

Provider Name	Fiscal Period	NPI	Adjustments
COMPREHENSIVE HEALTH CENTER—DOWNTOWN	JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	1073790390	3

Adj. No.	Report References: Audit Report Schedule	Audit Report Line	Cost Report Worksheet	Cost Report Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
					ADJUSTMENTS TO REPORTED VISITS			
2	1	B2	2	B2	Total FQHC/RHC Visits To adjust total FQHC visits to agree with the provider's records. 42 CFR 405.2463 and 405.2470 CMS Pub. 15-1, Sections 2300 and 2304	6,919	9	6,928
3	1	B3	2	B3	Total FQHC/RHC Nonreimbursable Services Visits To adjust total FQHC nonreimbursable visits to agree with the provider's records. 42 CFR 405.2463 and 405.2470 CMS Pub. 15-1, Sections 2300 and 2304	659	1	660