

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

**COMPREHENSIVE HEALTH CENTER—METRO
SAN DIEGO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1326225632**

**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: Pasia M. Gutierrez**



TOBY DOUGLAS
DIRECTOR

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



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—METRO
NATIONAL PROVIDER IDENTIFIER (NPI) 1326225632
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:

<u>PPS Rate</u>	<u>Effective Dates</u>
\$160.52	August 25, 2008 through September 30, 2009

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>
\$160.52	1.6%	\$163.09	October 1, 2009 through September 30, 2010
\$163.09	1.2%	\$165.05	October 1, 2010 through September 30, 2011
\$165.05	0.4%	\$165.71	October 1, 2011 through September 30, 2012
\$165.71	0.6%	\$166.70	October 1, 2012 through September 30, 2013

We have instructed the Provider Enrollment Division to adjust your interim Medicare Crossover rate (Code 02) to \$63.12, your interim Managed Care rate (Code 18) to

88.48, your interim Health Families rate (Code 19) to \$51.64, and your interim Medicare Advantage rate (Code 20) to \$52.54 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 Schedule

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 MEDI-CAL PROSPECTIVE PAYMENT SYSTEM RATE

Provider Name:
**COMPREHENSIVE HEALTH
 CENTER—METRO**

NPI:
1326225632

Fiscal Period Ended:
DECEMBER 31, 2009

PART A—DETERMINATION OF OVERHEAD APPLICABLE TO MEDICAL SERVICES

	REPORTED	AUDITED
1. Cost of Services Excluding Overhead (Sch 2, L 29)	\$ 3,263,135	\$ 3,263,135
2. Nonreimbursable Costs Excluding Overhead (Sch 2, L 57)	142,471	142,471
3. Cost of All Services Excluding Overhead (L A1 + L A2)	\$ 3,405,606	\$ 3,405,606
4. Percentage of Nonreimbursable Costs (L A2 / L A3)	0.041834	0.041834
5. Total Overhead (Sch 2, L 53)	\$ 2,389,961	\$ 2,372,628
6. Overhead Applicable to Nonreimbursable Costs (L A4 * L A5)	99,982	99,257
7. Overhead Applicable to Medical Services (L A5 - L A6)	2,289,979	2,273,371
8. Total Cost of Medical Services (L A1 + L A7)	\$ 5,553,114	\$ 5,536,506

PART B—DETERMINATION OF PPS RATE

1. Total Medical Costs (L A8)	\$ 5,553,114	\$ 5,536,506
2. Total FQHC/RHC Visits (Adj 2)	36,327	36,338
3. Total FQHC/RHC Nonreimbursable Services Visits (Adj 3)	2,158	1,848
4. FQHC/RHC Adjusted Visits (L B2 - L B3)	34,169	34,490
5. FQHC/RHC PPS Rate Per Visit (L B1 / L B4)	\$ 162.52	\$ 160.52

SCHEDULE OF TRIAL BALANCE EXPENSES

Provider Name:

NPI:

Fiscal Period Ended:

COMPREHENSIVE HEALTH CENTER—METRO

1326225632

DECEMBER 31, 2009

Cost Center	REPORTED	ADJUSTMENTS (From Sch 2A)	AUDITED
FQHC/RHC Health Care Cost			
1. Physician	\$372,680	\$0	\$372,680
2. Physician Assistant	214,798	0	214,798
3. Nurse Practitioner	145,310	0	145,310
4. Other Nurse	65,022	0	65,022
5. Laboratory Technician	120,540	0	120,540
6. Education and Outreach	0	0	0
7. Case Management	31,683	0	31,683
8. Other Medical	0	0	0
9. Medical Records	86,058	0	86,058
10. Support Staff	629,390	0	629,390
11. Mental Health	0	0	0
12. Other (specify):	0	0	0
13. Subtotal FQHC/RHC Health Care Costs (lines 1-12)	\$1,665,481	\$0	\$1,665,481
14. Physician Services Under Agreement	\$447,112	\$0	\$447,112
15. Physician Supervision	0	0	0
16.	0	0	0
17. Other Health Care Costs			
18. Pharmacy	\$252,474	\$0	\$252,474
19. Dental	451,175	0	451,175
20. Optometry	0	0	0
21. Medical Supplies	163,828	0	163,828
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)	220,880	0	220,880
25. Laboratory	0	0	0
26. Radiology	62,185	0	62,185
27. Minor Medical Equipment and Rental/CME	0	0	0
28. Subtotal-Other Health Care Costs (lines 18-27)	\$1,150,542	\$0	\$1,150,542
29. Total Cost of FQHC/RHC Services (sum of lines 13, 14-16, and 28)	\$3,263,135	\$0	\$3,263,135
FQHC/RHC Overhead-Facility Cost			
30. Rent	\$218,557	\$0	\$218,557
31. Insurance	0	0	0
32. Interest Expense	48,581	0	48,581
33. Utilities	810	0	810
34. Depreciation—Building	135,500	0	135,500
35. Depreciation—Equipment	60,123	0	60,123
36. Housekeeping and Maintenance	104,475	0	104,475
37. Property Tax	4,823	0	4,823
38. Minor Equipment	47,344	0	47,344
39. Home Office Pool Costs (from Home Office cost report schedule 6)	231,923	0	231,923
40.	0	0	0
41. Subtotal-Facility Costs (lines 30-40)	\$852,136	\$0	\$852,136
FQHC/RHC Overhead-Administrative Cost			
42. Office Salaries	\$205,738	\$0	\$205,738
43. Depreciation—Office Equipment	0	0	0
44. Office Supplies	79,036	0	79,036
45. Legal	0	0	0
46. Accounting	26,000	(17,333)	8,667
47. Insurance (Specify):	0	0	0
48. Telephone	16,248	0	16,248
49. Fringe Benefits and Payroll Taxes	0	0	0
50. Home Office Pool Costs (from Home Office cost report schedule 6)	967,858	0	967,858
51. Other	242,945	0	242,945
52. Subtotal-Administrative Costs (lines 42-51)	\$1,537,825	(\$17,333)	\$1,520,492
53. Total Cost Subject to Allocation (sum of lines 41 and 52)	\$2,389,961	(\$17,333)	\$2,372,628
54. Nonreimbursable Costs (Advertising/Marketing/Promotional)	\$12,643	\$0	\$12,643
55. Bad Debts	0	0	0
56. Fund Raising/nonreimbursable costs	129,828	0	129,828
57. Subtotal Nonreimbursable Costs (lines 54-56)	\$142,471	\$0	\$142,471
58. Total FQHC/RHC Costs (sum of lines 29, 53, and 57)	\$5,795,567	(\$17,333)	\$5,778,234

ADJUSTMENTS TO REPORTED COSTS

Provider Name:

NPI:

Fiscal Period Ended:

COMPREHENSIVE HEALTH CENTER—METRO

1326225632

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						
Other Health Care Costs							
17. Pharmacy	0						
18. Dental	0						
19. Optometry	0						
20. Medical Supplies	0						
21. Depreciation—Medical Equipment	0						
22. Professional Liability Insurance	0						
23. Home Office Direct Cost (from Home Office cost report schedule 6)	0						
24. Laboratory	0						
25. Radiology	0						
26. Minor Medical Equipment and Rental/CME	0						
27. Subtotal-Other Health Care Costs (lines 18-27)	0	0	0	0	0	0	0
28. Total Cost of FQHC/RHC Services (sum of lines 13, 14-16, and 28)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Facility Cost							
29. Rent	0						
30. Insurance	0						
31. Interest Expense	0						
32. Utilities	0						
33. Depreciation—Building	0						
34. Depreciation—Equipment	0						
35. Housekeeping and Maintenance	0						
36. Property Tax	0						
37. Minor Equipment	0						
38. Home Office Pool Cost (from Home Office cost report schedule 6)	0						
39.	0						
40. Subtotal-Facility Costs (lines 30-40)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Administrative Cost							
41. Office Salaries	0						
42. Depreciation—Office Equipment	0						
43. Office Supplies	0						
44. Legal	0						
45. Accounting	(17,333)	(17,333)					
46. Insurance (Specify):	0						
47. Telephone	0						
48. Fringe Benefits and Payroll Taxes	0						
49. Home Office Pool Cost (from Home Office cost report schedule 6)	0						
50. Other	0						
51. Subtotal-Administrative Costs (lines 42-51)	(17,333)	(17,333)	0	0	0	0	0
52. Total Cost Subject to Allocation (sum of lines 41 and 52)	(17,333)	(17,333)	0	0	0	0	0
53. Nonreimbursable Costs (Advertising/Marketing/Promotional)	0						
54. Bad Debts	0						
55. Fund Raising/nonreimbursable costs	0						
56. Subtotal Nonreimbursable Costs (lines 54-56)	0	0	0	0	0	0	0
57. Total FQHC/RHC Costs (sum of lines 29, 53, and 57)	(17,333)	(17,333)	0	0	0	0	0

ADJUSTMENTS TO REPORTED COSTS

Provider Name:

NPI:

Fiscal Period Ended:

COMPREHENSIVE HEALTH CENTER—METRO

1326225632

DECEMBER 31, 2009

Cost Center	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.							
Other Health Care Costs							
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 Cost of FQHC/RHC Services (sum of lines 13, 14-16, and 28)	0	0	0	0	0	0	0
FQHC/RHC Overhead-Facility Cost							
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 Cost (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 Cost (from Home Office cost report schedule 6)							
51. Other							
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 (Advertising/Marketing/Promotional)							
55. Bad Debts							
56. Fund Raising/nonreimbursable 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—METRO					JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		1326225632		3
Report References					Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report		Cost Report						
	Schedule	Line	Worksheet	Line					
<u>ADJUSTMENT TO REPORTED COSTS</u>									
1	2A	46	1	46	Accounting To eliminate accounting fees not applicable to the facility. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$26,000	(\$17,333)	\$8,667	

Provider Name					Fiscal Period	NPI	Adjustments		
COMPREHENSIVE HEALTH CENTER—METRO					JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	1326225632	3		
Report References					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report		Cost Report						
	Schedule	Line	Worksheet	Line					
<u>ADJUSTMENTS TO REPORTED VISITS</u>									
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	36,327	11	36,338	
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	2,158	(310)	1,848	