

**APPEAL RECOMPUTATION
OF THE
COST BASED REIMBURSEMENT CLINICS
LAC / JUVENILE COURT HEALTH SERVICES
LOS ANGELES, CALIFORNIA
NATIONAL PROVIDER IDENTIFIERS: 1285744003,
1780789065, 1598860876 AND 1407951783
FISCAL PERIOD ENDED
JUNE 30, 2009**

**Audits Section - Burbank
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Henry Kwan
Auditor: Tricia Sugioka**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

December 23, 2013

CERTIFIED MAIL NO. 7010 3090 0000 5074 5395

Anita D. Lee, Esq.
Principal Deputy County Counsel
Office of the County Counsel
County of Los Angeles
500 West Temple Street, Room 602
Los Angeles, California 90012

In the Matter of:

**LAC / JUVENILE COURT HEALTH SERVICES
NATIONAL PROVIDER IDENTIFIER (NPI): 1285744003
FISCAL PERIOD ENDED JUNE 30, 2009
CASE NUMBER FQ13-0609-530C-PW**

Pursuant to the Office of Administrative Hearings and Appeals' Report of Findings Decision dated November 6, 2013, the following revisions are made to the Medi-Cal audit report dated December 11, 2012.

SUMMARY OF REVISIONS

COST BASED REIMBURSEMENT CLINIC (CBRC SCH. 1)

Audited Amount Due Provider (State)	\$	615,245
Revision		<u>5,196</u>
Revised Amount Due Provider (State)	\$	<u>620,441</u>

Enclosed are the revised schedules detailing the results of the recomputation.

A copy of the final settlement amount is being sent to the fiscal intermediary. This final settlement amount will be incorporated in a Statement of Account Status, which may reflect other financial transactions such as tentative settlement payments, final settlement payments, and/or lump sum rate adjustments. The Statement of Account Status with the amount due the State or owed to the provider (including interest as prescribed by law) will be forwarded to the provider by the fiscal intermediary.

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Instructions regarding payment, if necessary, will be included with the Statement of Account Status.

If you have any questions regarding this recomputation, you may call the Audits Section-Burbank at (818) 295-2620.

Original Signed By

Daniel J. Giardinelli, Chief
Audits Section—Burbank
Financial Audits Branch

cc: Evie Correa, Chief
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Department of Health Care Services
P.O. Box 997413, MS 2109
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COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT

Provider Name: LAC / JUVENILE COURT HEALTH SERVICES
 Provider NPI: 1285744003
 Fiscal Period Ended: JUNE 30, 2009

	AUDITED	REVISED
1. Total Costs (CBRC Sch. 2, Col. 4)	\$ 22,028,295	\$ 22,129,995
2. Determination of Overhead Costs Applicable to non-reimbursable CHC/HC Health Care Services		
a. CBRC Health Care Services Costs (CBRC Sch. 2, Col. 4, Line 2)	16,032,769	16,134,469
b. Non-Reimbursable CBRC Costs (CBRC Sch. 3, Line 58 - Line 54, Line 55 and Line 56)	4,354,869	4,253,171
c. Cost of all CBRC Costs - Excluding Overhead Costs (Line 2a + Line 2b)	<u>20,387,638</u>	<u>20,387,640</u>
d. Percentage of Non-Reimbursable CBRC Costs (Line 2b / Line 2c)	0.2136	0.2086
e. Total CBRC General Overhead Costs (CBRC Sch. 2, Col. 4, Line 1)	5,995,526	5,995,526
f. Overhead Applicable to Non-Reimbursable CBRC Costs (Line 2d X Line 2e)	\$ 1,280,665	\$ 1,250,758
3. Total Cost of Reimbursable CBRC Services (Line 1 - Line 2f)	<u>\$ 20,747,630</u>	<u>\$ 20,879,237</u>
4. Total Visits (Billable CBRC Visits) (Rev)	<u>54,676</u>	<u>54,676</u>
5. Average Cost Per Visit (Line 3 divided by Line 4)	<u>\$ 379.47</u>	<u>\$ 381.87</u>
6. Medi-Cal Visits (Rev)	<u>2,165</u>	<u>2,165</u>
7. Total Medi-Cal Cost (Line 5 X Line 6)	<u>\$ 821,553</u>	<u>\$ 826,749</u>
8. <u>Less Payments:</u>		
a. Medi-Cal (Billing Code 01 & 03) (Rev)	\$ 206,308	\$ 206,308
b. Patient Share of Cost (Rev)	0	0
c. Total Payments	<u>\$ 206,308</u>	<u>\$ 206,308</u>
9. Balance Due Provider/(State) Before Protested Items (Line 7 - Line 8c)	\$ 615,245	\$ 620,441
10. Protested Items: CCAP (Rev)	<u>\$ 0</u>	<u>\$ 0</u>
11. Balance Due Provider/(State) After Protested Items	<u>\$ 615,245</u>	<u>\$ 620,441</u>

TOTAL CBRC COSTS

Provider Name:

Provider NPI:

Fiscal Period Ended:

LAC / JUVENILE COURT HEALTH SERVICES

1285744003

JUNE 30, 2009

CMS Line No.	Cost Centers	1 Direct Costs Trial Balance	2 Allocated Costs	3 Off-site Ancillary/ Indigent Costs	4 Total Allowable CBRC HDHS Costs (Col. 1 + Col. 2 - Col. 3)
				(Rev)	
1.00	JCHS A&G Overhead Costs (CBRC Sch. 3, Line 53)	\$ 5,995,526	\$ 0	\$ 0	5,995,526
2.00	JCHS Reimb. Patient Care Costs (CBRC Sch. 3, Line 29)	16,134,469	0	0	16,134,469
5.00	Old Capital - Related Costs - Bldg.and Fixtures		0		0
6.00	Old Capital - Related Costs - Movable Equipment		0		0
7.00	New Capital - Related Costs - Bldg. And Fixtures		0		0
8.00	New Capital Related Costs - Movable Equipment		0		0
9.00	Employee Benefits		0		0
10.00	Administrative and General		0		0
11.00	Maintenance and Repairs		0		0
12.00	Operation of Plant		0		0
13.00	Laundry & Linen Service		0		0
14.00	Housekeeping		0		0
15.00	Dietary		0		0
16.00	Cafeteria		0		0
17.00	Nursing Administration		0		0
18.00	Central Services and Supplies		0		0
19.00	Pharmacy		0		0
20.00	Medical Records & Medical Records Library		0		0
21.00	Social Services		0		0
22.00	PFSW Provider/Eligibility		0		0
23.00	PFSW Provider		0		0
24.00	Physicians		0		0
25.00	Nonphysician Anesthetists		0		0
26.00	Nonphysician Practitioner		0		0
27.00	Nursing School		0		0
28.00	I & R Services - Salaries & Fringe B. Approved		0		0
29.00	I & R Other Program Costs Approved		0		0
30.00	Physicians Teaching Program Costs		0		0
31.00	Paramedic Education Program		0		0
	Total	\$ <u>22,129,995</u>	\$ <u>0</u>	\$ <u>0</u>	<u>22,129,995</u>

(To CBRC Sch 1, Line 1)

SCHEDULE OF TRIAL BALANCE EXPENSE

Provider Name:

Provider NPI:

Fiscal Period Ended:

LAC / JUVENILE COURT HEALTH SERVICES

1285744003

JUNE 30, 2009

Cost Center	AUDITED	REVISION (CBRC Sch. 4)	REVISED
CBRC Health Care Costs			
1. Physician	\$2,071,840	\$0	\$2,071,840
2. Physician Assistant	0	0	0
3. Nurse Practitioner	0	0	0
4. Other Nurse	6,155,728	44,620	6,200,348
5. Laboratory Technician	457,027	0	457,027
6. Nursing Supervision	1,362,626	57,078	1,419,704
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-CBRC Health Care Costs	\$10,047,221	\$101,698	\$10,148,919
14.			
15. Physician - Supervision	0	0	0
16.			
CBRC Other Health Care Costs			
18. Pharmacy	\$709,236	\$2	\$709,238
19. Dental	555,415	0	555,415
20. Optometry	0	0	0
21. Medical Supplies	0	0	0
22. Depreciation-Medical Equipment	0	0	0
23. Professional Liability Insurance	0	0	0
24. Health Education	83,739	0	83,739
25. Medical Records	983,465	0	983,465
26. Medical / Dental / Lab Supplies	2,688,264	0	2,688,264
27. Professional / Specialized Services	965,429	0	965,429
28. Subtotal-CBRC Other Health Care Costs	\$5,985,548	\$2	\$5,985,550
29. Total Cost of CBRC Health Care Services (Sum of Lines 13, 14, 15, and 28)	\$16,032,769	\$101,700	\$16,134,469
CBRC Overhead-Facility Cost			
30. Rent	\$22,349	\$0	\$22,349
31. Insurance	106,078	0	106,078
32. Interest Expense	0	0	0
33. Utilities	111,971	0	111,971
34. Depreciation-Building	0	0	0
35. Depreciation-Equipment	0	0	0
36. Housekeeping and Maintenance	239,114	0	239,114
37. Property Tax	151	0	151
38. Maintenance - Equipment / Grounds	6,534	0	6,534
38.5. Security to Building	44,624	0	44,624
39. Transportation	50,740	0	50,740
40. Home Office Costs	1,259,637	0	1,259,637
41. Subtotal-Overhead Facility Costs (Lines 30-40)	\$1,841,198	\$0	\$1,841,198
CBRC Overhead-Administrative Cost			
42. Office Salaries	\$515,225	\$0	\$515,225
43. Depreciation-Office Equipment	0	0	0
44. Office Supplies	95,491	0	95,491
45. Legal	0	0	0
46. Accounting	261,230	0	261,230
47. Insurance (Specify)	0	0	0
48. Telephone	55,081	0	55,081
49. Fringe Benefits And Payroll Taxes	1,636,178	0	1,636,178
50. Administrative and General	1,516,037	0	1,516,037
51. Services from Other County Departments	75,086	0	75,086
51.01. Provider's Adjustment - Public Health Lab	0	0	0
51.02. Provider's Adjustment - Other Adjustments	0	0	0
52. Subtotal-Administrative Costs (Lines 42-51.02)	\$4,154,328	\$0	\$4,154,328
53. Total CBRC Overhead Cost Subject To Allocation (Sum of Lines 41 and 52)	\$5,995,526	\$0	\$5,995,526
54. Non-Certified Facilities	\$6,928,453	\$0	\$6,928,453
55. Patterson Dental	0	0	0
56. Off-Site Medical Services	2,551,564	0	2,551,564
57. Nurse Only Visits (incl. Medical Records Staff)	4,354,869	(101,698)	4,253,171
58. Subtotal Nonreimbursable Costs	\$13,834,886	(\$101,698)	\$13,733,188
60. Total CBRC Costs (Sum of Lines 29, 53, and 58)	\$35,863,181	\$2	\$35,863,183

Provider Name					Fiscal Period	Provider NPI		Revisions
LAC / JUVENILE COURT HEALTH SERVICES					JULY 1, 2008 THROUGH JUNE 30, 2009	1285744003		2
Report References					Explanation of Revisions	As Audited	Increase (Decrease)	As Revised
Rev. No.	Audit Report		Cost Report					
	Schedule	Line	Worksheet	Line				
REVISIONS TO AUDITED COSTS								
1	CBRC 4	18	TB 2 of 3	18	Pharmacy	\$709,236	\$2	\$709,238
Appeal Issue 6 - Audit Adjustment 11 - Flow Through Costs								
2	CBRC 4	4	TB 2 of 3	4	Other Nurse	\$6,155,728	\$44,620	\$6,200,348
	CBRC 4	6	TB 2 of 3	6	Nursing Supervision	1,362,626	57,078	1,419,704
	CBRC 4	57	TB 3 of 3	57	Nurse Only Visits (incl. Medical Records Staff)	4,354,869	(101,698)	4,253,171
Appeal Issue 30 - Audit Adjustment 4 - Nurse Only Visit Costs								