

**REPORT  
ON THE  
FEDERALLY QUALIFIED HEALTH CENTER  
RECONCILIATION REVIEW  
NORTH CO. HEALTH PROJECT INC  
PROVIDER NUMBER (NPI): (1710152251)**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2009**

**Audit Review and Analysis Section  
Financial Audits Branch  
Audits and Investigations  
Department of Health Care Services**

**Section Chief: Evie Correa  
Audit Supervisor: Ralph R. Zavala  
Auditor: Emil Guzman**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

March 19, 2013

Phil Lenowsky  
North County Health Services  
150 Valpreda Road  
San Marcos, CA 92069-2973

PROVIDER LEGAL NAME: NORTH CO. HEALTH PROJECT INC  
DBA: NORTH COUNTY HEALTH SERVICES  
PROVIDER NUMBER (NPI): (1710152251)  
FISCAL PERIOD ENDED: DECEMBER 31, 2009

We have reviewed the Federally Qualified Health Center (FQHC) Medi-Cal Reconciliation Request for the above-referenced fiscal period. Our review was made under the authority of Welfare and Institutions Code section 14170, and was limited to a review of the Provider's records/data and the Medi-Cal Paid Claims Summary Reports received from the State's fiscal intermediary.

The reconciliation review consists of finding the difference between the Medi-Cal Prospective Payment System (PPS) settlement for all visits previously paid on an interim basis such as those rendered to Managed Care Plan patients and Non-Managed Care crossovers.

This review may include an adjustment for duplicate payments, credit balances or payments made for non-billable services found during our review of Medi-Cal Paid Claims Detail Report.

The amount due the Clinic for the above referenced fiscal period in the amount of \$2,176 as presented in the accompanying schedules represents a final determination in accordance with the reimbursement principles of the program.

Your interim Managed Care rate (Code 18), and Medi-Cal crossover rate (Code 02) will not be adjusted at this time.

This determination includes:

1. Reconciliation Review Report (Schedule 1)
2. Adjustment Schedule(s)

The reconciliation settlement amount will be incorporated into a Statement(s) of Account Status, which may reflect other financial transactions initiated by the Department. The State's fiscal intermediary will forward the Statement(s) of Account Status to the Clinic.

Please note; the computation of this reconciliation utilizes the PPS rate in effect for the applicable time period. Should a Change in Scope-of-Service Request result in a change in the PPS rate for the applicable period, the reconciliation amount will be revised to reflect the impact of the new PPS rate. At that time, a revised reconciliation determination will be sent to the clinic.

Notwithstanding this determination, overpayments to the provider are subject to recovery pursuant to California Code of Regulations, Title 22, Section 51458.1.

If you disagree with the determination of the Department as set forth in this letter, you may appeal by writing to Chief, Administrative Appeals, Office of Legal Services, Department of Health Care Services, 1029 J Street, Suite 200, Sacramento, California 95814. This 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 the Assistant Chief Counsel, Appeals and Suspension Section, Office of Legal Services, Department of Health Care Services, 1501 Capitol Avenue, P.O. Box 942732, Sacramento, California 94234-7320. The procedures that govern an appeal are contained in Welfare and Institutions Code Section 14171, and California Code of Regulations, Title 22, Section 51016 et seq. Excerpts of the statute and regulations are included for your information.

If you have further questions regarding this letter, please contact Emil Guzman, Auditor, at (916) 650-6696.

Sincerely,

**Original Signed By**

Evie Correa, Chief  
Audit Review and Analysis Section  
Financial Audits Branch

Enclosure(s)  
Certified

## SCHEDULE 1

## FQHC/RHC RECONCILIATION

PROVIDER LEGAL NAME: NORTH CO. HEALTH PROJECT INC	PROVIDER NUMBER (NPI): (1710152251)
FISCAL PERIOD: JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	

## PAYMENT/RECOVERY DETERMINATION

1. Managed Care Medi-Cal Visits	710	296	1,006	363	3	330	4	693
2. Managed Care Crossover Visits	-	-	-	-		-		-
3. CHDP History Physicals Visits (Non Managed Care)	-	-	-	-		-		-
4. Medi-Cal Crossover Visits (Non Managed Care)	12	-	12	-	1	-		-
5. Subtotal Visits	722	296	1,018	363		330		693
5b. Less: Duplicate and Nonbillable Medi-Cal Visits			-	-		-		-
<b>Total Visits</b>	<b>722</b>	<b>296</b>	<b>1,018</b>	<b>363</b>		<b>330</b>		<b>693</b>

6. Managed Care Plan(s) Payments	\$ 25,761	\$ 9,124	\$ 34,886	\$ 25,761		\$ 9,124		\$ 34,886
7. Managed Care Medicare Payments	\$ -	\$ -	-	\$ -		\$ -		-
8. Medi-Cal (Code 18) Payments	\$ 50,585	\$ 25,071	75,656	\$ 30,329	5	\$ 28,003	6	58,332
9. CHDP Program Payments (Non Managed Care)	\$ -	\$ -	-	\$ -		\$ -		-
10. Medicare Crossover Payments (Non Managed Care)	\$ 1,708	\$ 45	1,753	\$ -	7	\$ -	8	-
11. Medi-Cal Crossover Payments (Non Managed Care)	\$ 453	\$ -	453	\$ -	2	\$ -		-
12. <b>Total Payments</b>	<b>\$ 78,507</b>	<b>\$ 34,240</b>	<b>\$ 112,747</b>	<b>\$ 56,090</b>		<b>\$ 37,127</b>		<b>\$ 93,218</b>

13. PPS Rate	\$ 136.61	\$ 138.80		\$ 136.61		\$ 138.80		
14. Total Medi-Cal Visits (From Line 5)	722	296	1,018	363		330		693
15. PPS Amount (Line 13 x Line 14)	\$ 98,632	\$ 41,085	\$ 139,717	\$ 49,589		\$ 45,804		\$ 95,393
16. Less: Total Payments (From Line 12)	\$ 78,507	\$ 34,240	\$ 112,747	\$ 56,090		\$ 37,127		\$ 93,218
17. Reconciliation Amount Due Clinic (State) (L 15-L 16)	\$ 20,125	\$ 6,845	\$ 26,970	\$ (6,501)		\$ 8,677		\$ 2,176
18. Medi-Cal Billing Review Results (Schedule 2)			\$ -	\$ -		\$ -		\$ -
19. <b>Total Amount Due Clinic (State) (L 17+L 18)</b>	<b>\$ 20,125</b>	<b>\$ 6,845</b>	<b>\$ 26,970</b>	<b>\$ (6,501)</b>		<b>\$ 8,677</b>		<b>\$ 2,176</b>

Provider Legal Name					Fiscal Period	Provider Number (NPI)	Adjustments	
NORTH CO. HEALTH PROJECT INC					JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	(1710152251)	8	
Report References					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Reconciliation Review		Reconciliation Request					
	Schedule	Line	Worksheet	Line				
<b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA</b>								
1	1	4	1	4	Medi-Cal Crossover Visits (Period 1)	12	(12)	0
2	1	11	1	11	Medi-Cal Crossover Payments (Period 1)	\$453	(\$453)	\$0
3	1	1	1	1	Managed Care Medi-Cal Visits (Period 1)	710	(347)	363
4	1	1	1	1	Managed Care Medi-Cal Visits (Period 2)	296	34	330
5	1	8	1	8	Medi-Cal (Code 18) Payments (Period 1)	\$50,585	(\$20,256)	\$30,329
6	1	8	1	8	Medi-Cal (Code 18) Payments (Period 2)	25,071	2,932	28,003
<p>To adjust Medi-Cal Settlement Data to agree with the following ACS Paid Claims Summary Report:                      Run On: 08/02/12                      Payment Period: 01/01/09 through 08/02/12                      Service Period: 01/01/09 through 12/31/09                      42 CFR, Sections 413.20, 413.50, 413.53, 413.60 and 413.64                      CMS Pub. 15-1, Sections 2304 and 2408.3</p>								
7	1	10	1	10	Medicare Crossover Payments (Period 1)	\$1,708	(\$1,708)	\$0
8	1	10	1	10	Medicare Crossover Payments (Period 2)	45	(45)	0
<p>To adjust Medicare Payments received for the Medi-Cal Crossover (Code 2) visits.                      CA Welfare and Institutions Code 14132.100 (h)                      42 CFR, Sections 413.20 and 413.24                      CMS Pub. 15-1, Section 2304</p>								