REPORT
ON THE
FEDERALLY QUALIFIED HEALTH CENTER
RECONCILIATION REVIEW
NEIGHBORHOOD HEALTHCARE
PROVIDER NUMBER (NPI): FHC71187F (1265618185)

FISCAL PERIOD ENDED
JUNE 30, 2010

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: B Clark

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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

January 15, 2013

Lisa Daigle
Neighborhood Healthcare
425 N. Date Street
Escondido, CA 92025-3047

PROVIDER LEGAL NAME: NEIGHBORHOOD HEALTHCARE
DBA: NEIGHBORHOOD HEALTHCARE
PROVIDER NUMBER (NPI): FHC71187F (1265618185)
FISCAL PERIOD ENDED: JUNE 30, 2010

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 State for the above referenced fiscal period in the amount of $73,272 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 B Clark, 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: NEIGHBORHOOD HEALTHCARE	PROVIDER NUMBER (NPI): FHC71187F (1265618185)
FISCAL PERIOD: JULY 01, 2009 THROUGH JUNE 30, 2010	

PAYMENT/RECOVERY DETERMINATION

		REPORTED			AUDITED				
		PERIOD 1	PERIOD 2	TOTAL	PERIOD 1	ADJ. NO.	PERIOD 2	ADJ. NO.	TOTAL
1.	Managed Care Medi-Cal Visits	2,215	6,862	9,077	741	1	5,693	2	6,434
2.	Managed Care Crossover Visits	-	-	-	-		-		-
3.	CHDP History Physicals Visits (Non Managed Care)	-	-	-	-		-		-
4.	Medi-Cal Crossover Visits (Non Managed Care)	-	-	-	-		-		-
5.	Subtotal Visits	2,215	6,862	9,077	741		5,693		6,434
5b.	Less: Duplicate and Nonbillable Medi-Cal Visits			-	-		-		-
	Total Visits	2,215	6,862	9,077	741		5,693		6,434

		REPORTED			AUDITED				
		PERIOD 1	PERIOD 2	TOTAL	PERIOD 1	ADJ. NO.	PERIOD 2	ADJ. NO.	TOTAL
6.	Managed Care Plan(s) Payments	$ 123,104	$ 381,373	$ 504,477	$ 123,104		$ 381,373		$ 504,477
7.	Managed Care Medicare Payments	$ -	$ -	-	$ -		$ -		-
8.	Medi-Cal (Code 18) Payments	$ 140,179	$ 519,888	660,067	$ 56,063	3	$ 402,740	4	458,803
9.	CHDP Program Payments (Non Managed Care)	$ -	$ -	-	$ -		$ -		-
10.	Medicare Crossover Payments (Non Managed Care)	$ -	$ -	-	$ -		$ -		-
11.	Medi-Cal Crossover Payments (Non Managed Care)	$ -	$ -	-	$ -		$ -		-
12.	**Total Payments**	$ 263,283	$ 901,261	$ 1,164,544	$ 179,167		$ 784,113		$ 963,280

		REPORTED RECONCILIATION COMPUTED			AUDITED RECONCILIATION COMPUTED				
		PERIOD 1	PERIOD 2	TOTAL	PERIOD 1	ADJ. NO.	PERIOD 2	ADJ. NO.	TOTAL
13.	PPS Rate	$ 136.40	$ 138.58		$ 136.40		$ 138.58		
14.	Total Medi-Cal Visits (From Line 5)	2,215	6,862	9,077	741		5,693		6,434
15.	PPS Amount (Line 13 x Line 14)	$ 302,126	$ 950,936	$ 1,253,062	$ 101,072		$ 788,936		$ 890,008
16.	Less: Total Payments (From Line 12)	$ 263,283	$ 901,261	$ 1,164,544	$ 179,167		$ 784,113		$ 963,280
17.	Reconciliation Amount Due Clinic (State) (L 15-L 16)	$ 38,843	$ 49,675	$ 88,518	$ (78,094)		$ 4,823		$ (73,272)
18.	Medi-Cal Billing Review Results (Schedule 2)			$ -	$ -		$ -		$ -
19.	**Total Amount Due Clinic (State)** (L 17+L 18)	$ 38,843	$ 49,675	$ 88,518	$ (78,094)		$ 4,823		$ (73,272)

Provider Legal Name	Fiscal Period	Provider Number (NPI)	Adjustments
NEIGHBORHOOD HEALTHCARE	JULY 01, 2009 THROUGH JUNE 30, 2010	FHC71187F (1265618185)	4

Adj. No.	Report References: Reconciliation Review Schedule	Reconciliation Review Line	Reconciliation Request Worksheet	Reconciliation Request Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
					ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA			
1	1	1	1	1	Managed Care Medi-Cal Visits (Period 1)	2,215	(1,474)	741
2	1	1	1	1	Managed Care Medi-Cal Visits (Period 2)	6,862	(1,169)	5,693
3	1	8	1	8	Medi-Cal (Code 18) Payments (Period 1)	$140,179	($84,116)	$56,063
4	1	8	1	8	Medi-Cal (Code 18) Payments (Period 2)	519,888	(117,148)	402,740

To adjust Medi-Cal Settlement Data to agree with the following ACS
Paid Claims Summary Report:
Run On: 07/31/2012
Payment Period: 07/01/09 through 07/15/12
Service Period: 07/01/09 through 06/30/10
42 CFR, Sections 413.20, 413.50, 413.53, 413.60 and 413.64
CMS Pub. 15-1, Sections 2304 and 2408.3