

**REPORT
ON THE AUDIT OF
RATE DEVELOPMENT SCHEDULES**

**SAN DIMAS COMMUNITY HOSPITAL
SAN DIMAS, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1740447945**

**FISCAL PERIOD ENDED
DECEMBER 31, 2010**

**Audits Section—Rancho Cucamonga
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Julio M. Cueto
Audit Supervisor: Virat Shah
Auditor: Mary Anne Ruiz**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 20, 2013

Administrator
San Dimas Community Hospital
1350 West Covina Boulevard
San Dimas, CA 91773

SAN DIMAS COMMUNITY HOSPITAL
NATIONAL PROVIDER IDENTIFIER (NPI) 1740447945
FISCAL PERIOD ENDED DECEMBER 31, 2010

We have examined the Rate Development Schedules for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code. The data for the schedules was obtained from provider records during a limited review.

In our opinion, the audited data presented in the Rate Development Schedules represents a proper determination of audited cost, patient days, and direct labor cost in accordance with applicable programs.

This audit report includes the:

1. Rate Development Schedules
2. Audit Adjustments Schedule

The results of this examination may be used to determine the Medi-Cal Peer Grouping Inpatient Reimbursement Limitation (PIRL) rate calculations. This will be determined by the Fee-For-Service Rates Development Division pursuant to California Code of Regulations (CCR), Title 22, Sections 51545 through 51556. These regulations may be viewed at www.oal.ca.gov.

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

Administrator
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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 California Code of Regulations, Title 22, Section 51016, et seq.

If you have questions regarding this report, you may call the Audits Section—Rancho Cucamonga at (909) 481-3420.

Original Signed By

Julio M. Cueto, Chief
Audits Section—Rancho Cucamonga
Financial Audits Branch

Certified

cc: Jeffrey N. Brown, CEO
Hospital Management Services
211 East Imperial Highway, Suite 102
Fullerton, CA 92835

Pete Lou, Controller
Prime Healthcare Management Services, Inc.
3300 East Guasti Road, 2nd Floor
Ontario, CA 91761

RATE DEVELOPMENT SCHEDULES

PROVIDER NAME	SAN DIMAS COMMUNITY HOSPITAL
NPI	1740447945
FISCAL PERIOD	JANUARY 1, 2010 THROUGH DECEMBER 31, 2010
CONTRACT PERIOD	N/A

	<u>REFERENCE</u>		
A. EXPENSE PASS-THROUGH DATA			
1. Depreciation Expense: (Adj)	8810 - 8813, and/or .71, .72, .73 and .74	\$	1,684,177
2. Rent and Lease Expense: (Adj)	8820-8822, and/or .75 and .76	\$	329,639
3. Interest Expense: (Adj)	8860, 8870	\$	
4. Property Taxes and License Fees: (Adj)	8850 and/or .83	\$	3,254,685
5. Utility Expense: (Adj)	.77, .78, .79, and .80	\$	523,481
6. Malpractice Insurance Expense: (Adj)	8830 and/or .81	\$	974,006
B. GROSS OPERATING EXPENSES (Adj 8)	Sch 10, line 101, col. 3	\$	41,113,135
C. STUDENT AND PHYSICIANS COMPENSATION			
1. Salaries and Wages (include benefits) (Adj)	.07, 8210.09 - 8290.09	\$	
2. Professional Fees (Adj)	.20	\$	512,590
D. PHARMACY NONLABOR EXPENSE (Adj)	8390.37 and 8390.38	\$	1,044,771
E. FOOD SERVICES NONLABOR EXPENSE (Adj)	8320, 8330 and 8340 and/or .42 and .43	\$	181,052
F. DIRECT OPERATING COSTS			
1. Salaries and Wages	.00 - .09, .91, .95	\$	17,356,789
2. Employee Benefits	.10 - .19, .92, .96	\$	5,768,417
3. Other Professional Fees	.21 - .29	\$	711,490
4. Purchased Services	.61 - .69	\$	11,968,801
5. Supplies	.31 - .36, .39 - .41 .44 - .50, .93, .97	\$	4,261,975
6. Other Direct Operating Expense	.85 - .90	\$	228,878

RATE DEVELOPMENT SCHEDULES

PROVIDER NAME	SAN DIMAS COMMUNITY HOSPITAL
NPI	1740447945
FISCAL PERIOD	JANUARY 1, 2010 THROUGH DECEMBER 31, 2010
CONTRACT PERIOD	N/A

A. DIRECT PAYROLL COSTS (Totals)	<u>REFERENCE</u>		
1. Management and Supervision (Adj)			
a. Productive Salaries	.00	\$	2,121,411
b. Productive Hours			47,751.00
2. Technicians and Specialists (Adj)			
a. Productive Salaries	.01	\$	4,006,333
b. Productive Hours			133,823.00
3. Registered Nurses (Adj)			
a. Productive Salaries	.02	\$	7,323,224
b. Productive Hours			180,845.00
4. Licensed Vocational Nurses (Adj)			
a. Productive Salaries	.03	\$	533,144
b. Productive Hours			23,759.00
5. Aides and Orderlies (Adj)			
a. Productive Salaries	.04	\$	944,602
b. Productive Hours			67,248.00
6. Physicians (Salaried) (Adj)			
a. Productive Salaries	.07	\$	
b. Productive Hours			
7. Nonphysician Medical Practitioners (Adj)			
a. Productive Salaries	.08	\$	
b. Productive Hours			
8. Environmental and Food Services (Adj)			
a. Productive Salaries	.06	\$	622,304
b. Productive Hours			53,934.00
9. Clerical and Other Administrative (Adj)			
a. Productive Salaries	.05	\$	1,513,271
b. Productive Hours			91,147.00
10. Other Salaries and Wages (Adj)			
a. Productive Salaries	.09	\$	292,498
b. Productive Hours			20,519.00
11. All Nonproductive Salaries and Wages (Adj)			
a. Nonproductive Salaries	Labor Distribution	\$	
b. Nonproductive Hours	Report or Provider W/P		
B. SUBTOTAL DIRECT PAYROLL COST			
1. Productive Salaries (lines A1a - A10a)		\$	<u>17,356,787</u>
2. Productive Hours (lines A1b - A10b)			<u>619,026.00</u>
C. TOTAL PRODUCTIVE AND NONPRODUCTIVE SALARIES (A11a + B1)		\$	<u>17,356,787</u>
D. TOTAL PRODUCTIVE AND NONPRODUCTIVE HOURS (A11b + B2)			<u>619,026.00</u>

Provider Name				Fiscal Period	NPI	Adjustments	
SAN DIMAS COMMUNITY HOSPITAL				JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	1740447945	12	
Report References				Explanation of Audit Adjustments	Reported	Increase (Decrease)	Adjusted
Adj. No.	Audit Report Page	RD Schedule Page Line					
<u>ADJUSTMENTS TO RATE DEVELOPMENT SCHEDULES</u>							
1	1	3	A	Medi-Cal Net Cost of Covered Services—Noncontract	\$ 1,628,641	\$ 224,898	\$ 1,853,539
2	1	3	B	Deductibles and Coinsurance—Noncontract	\$ (49,123)	\$ 115,955	\$ 66,832
3	1	3	C 1	Medi-Cal Inpatient Days—Adults and Pediatrics—Noncontract	375.00	69.00	444.00
4	1	3	C 2	Medi-Cal Inpatient Days—ICU—Noncontract	191.00	39.25	230.25
5	1	3	C 4	Medi-Cal Inpatient Days—Nursery—Noncontract	26.00	1.25	27.25
6	1	3	E	Total Medi-Cal Discharges—Acute—Noncontract	173	(24)	149
7	1	3	F	Total Medi-Cal Inpatient Charges—Noncontract	\$ 8,995,213	\$ 2,695,049	\$ 11,690,262
8	2	4	B	Gross Operating Expenses	\$ 49,401,746	\$ (8,288,611)	\$ 41,113,135
9	2	4	F 2	Direct Operating—Employee Benefits	\$ 5,787,866	\$ (19,449)	\$ 5,768,417
10	2	4	F 4	Direct Operating—Purchased Services	\$ 11,987,511	\$ (18,710)	\$ 11,968,801
11	2	4	F 5	Direct Operating—Supplies	\$ 4,281,363	\$ (19,388)	\$ 4,261,975
12	2	4	F 6	Direct Operating—Other Direct Operating Expense	\$ 0	\$ 228,878	\$ 228,878
<p>To adjust the Rate Development Schedules to agree with audit adjustments and/or provider records. CCR, Title 22, Section 51536</p>							