

**REPORT
ON THE AUDIT OF
PEER GROUPING INPATIENT REIMBURSEMENT
LIMITATION (PIRL)**

**SAN JOAQUIN COMMUNITY HOSPITAL
BAKERSFIELD, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1538157508**

**FISCAL PERIOD ENDED
DECEMBER 31, 2010**

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

**Section Chief: Michael Harrold
Audit Supervisor: Linda King
Auditor: Christiana Aleru**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

April 9, 2014

June Francis, Senior Accountant
San Joaquin Community Hospital
2615 Chester Avenue
Bakersfield, CA 93303-2615

SAN JOAQUIN COMMUNITY HOSPITAL
NATIONAL PROVIDER IDENTIFIER (NPI) 1538157508
FISCAL PERIOD ENDED DECEMBER 31, 2010

We have examined the Peer Grouping Inpatient Reimbursement Limitation (PIRL) 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 field audit.

In our opinion, the audited data presented in the PIRL 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. Peer Grouping Inpatient Reimbursement Limitation 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 Safety Net Financing 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

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—Fresno at (559) 446-2458.

Original Signed by

Michael A. Harrold, Chief
Audits Section—Sacramento
Financial Audits Branch

Certified

RATE DEVELOPMENT SCHEDULES

PROVIDER NAME	SAN JOAQUIN COMMUNITY HOSPITAL
NPI	1538157508
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	\$	8,492,997
2. Rent and Lease Expense: (Adj)	8820-8822, and/or .75 and .76	\$	1,575,460
3. Interest Expense: (Adj)	8860, 8870	\$	3,297,765
4. Property Taxes and License Fees: (Adj)	8850 and/or .83	\$	668,058
5. Utility Expense: (Adj)	.77, .78, .79, and .80	\$	2,904,941
6. Malpractice Insurance Expense: (Adj)	8830 and/or .81	\$	1,653,696
B. GROSS OPERATING EXPENSES (Adj)	Sch 10, line 101, col. 3	\$	245,616,094
C. STUDENT AND PHYSICIANS COMPENSATION			
1. Salaries and Wages (include benefits) (Adj)	.07, 8210.09 - 8290.09	\$	
2. Professional Fees (Adj)	.20	\$	4,962,268
D. PHARMACY NONLABOR EXPENSE (Adj)	8390.37 and 8390.38	\$	7,674,596
E. FOOD SERVICES NONLABOR EXPENSE (Adj)	8320, 8330 and 8340 and/or .42 and .43	\$	1,329,550
F. DIRECT OPERATING COSTS			
1. Salaries and Wages	.00 - .09, .91, .95	\$	98,076,869
2. Employee Benefits	.10 - .19, .92, .96	\$	27,006,662
3. Other Professional Fees	.21 - .29	\$	5,113,283
4. Purchased Services	.61 - .69	\$	24,055,754
5. Supplies	.31 - .36, .39 - .41,	\$	38,038,711
6. Other Direct Operating Expense	.44 - .50, .93, .97	\$	20,765,125

Provider Name				Fiscal Period		NPI	Adjustments
SAN JOAQUIN COMMUNITY HOSPITAL				JANUARY 1, 2010 THROUGH DECEMBER 31, 2010		1538157508	8
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	\$ 14,874,347	\$ 27,768	\$ 14,902,115
2	1	3	B	Deductibles and Coinsurance—Noncontract	\$ 434,087	\$ 98,033	\$ 532,120
3	1	3	C 1	Medi-Cal Inpatient Days—Adults and Pediatrics—Noncontract	6,352	364	6,716
4	1	3	C 2	Medi-Cal Inpatient Days—ICU—Noncontract	747	151	898
5	1	3	C 4	Medi-Cal Inpatient Days—Nursery—Noncontract	387	14	401
6	1	3	C 5	Medi-Cal Inpatient Days—NICU—Noncontract	69	4	73
7	1	3	E	Total Medi-Cal Discharges—Acute—Noncontract	1,685	110	1,795
8	1	3	F	Total Medi-Cal Inpatient Charges—Noncontract	\$ 77,905,315	\$ 6,183,973	\$ 84,089,288
<p>To adjust the Rate Development Schedules to agree with audit adjustments and/or provider records. CCR, Title 22, Section 51536</p>							