

**REPORT
ON THE
HOME OFFICE AUDIT**

**LOS ANGELES COUNTY HOME OFFICE
LOS ANGELES, CALIFORNIA**

**FISCAL PERIOD ENDED
JUNE 30, 2010**

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

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Debra K. Blake
Auditor: Rolando Hernandez**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

October 2, 2013

Oralia Alveno
Interim HSA Expenditure Manager
Health Services Administration
Fiscal Services Division
Department of Health Services
County of Los Angeles
313 North Figueroa Street, Suite 505
Los Angeles, CA 90012

LOS ANGELES COUNTY HOME OFFICE
FISCAL PERIOD ENDED JUNE 30, 2010

We have examined the Medi-Cal Home Office Cost Report for the fiscal period ended June 30, 2010. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the Summary of Audited Home Office Costs to Health Care Facilities represents a proper determination of home office allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles. The audited home office cost will be incorporated, by separate adjustment, into each applicable facility audit report.

This audit report includes the:

1. Summary of Audited Home Office Costs to Health Care Facilities and Supporting Schedules
2. Audit Adjustments Schedule

If you disagree with the decision of the Department, the results of the home office audit may only be appealed through each individual facility's audit report. Please refer to the appeal instructions in each facility's audit report.

Oralia Alveno
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If you have questions regarding this report, you may call the Audits Section—Burbank at (818) 295-2620.

Original Signed By

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

Certified

cc: Judy Wong, Manager
State Reimbursement Section
Program Audits/Reimbursement Division
Department of Health Services
County of Los Angeles
313 North Figueroa Street, Room 426
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EXPENSES PER TRIAL BALANCE (1)	HSA ADJUSTMENTS PER SCH A (2)	TOTAL EXPENSES (Col 2 - Col 3) (3)	HSA DIRECT ALLOCATION PER SCH J (4)	NET ALLOWABLE POOLED EXPENSES (Col 3 - Col 4) (5)	AUDIT ADJUSTMENTS (From Sch 5.2) (6)	POOLED ALLOCATIONS (Col 5-Col 6) (7)
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COST CENTER

Capital Related Costs-Old							
1	Old Cap. Rel. Bldg. & Fix.	\$ 195,043	\$ 195,043		\$ 195,043	\$ -	\$ 195,043 *
2	Old. Cap. Rel. Mov. Equip.		-		-		-
3	Sub-Total (Lines 1 & 2)	- 195,043	195,043	-	195,043	-	195,043
Capital Related Costs-New							
4	New Cap. Rel. Bldg. & Fix.	6,482	6,482		6,482	-	6,482 *
5	New Cap. Rel. Mov. Equip.	5,079,408	5,079,408		5,079,408	(2,342,203)	2,737,205 *
6	Sub-Total (Lines 4 & 5)	- \$ 5,085,890	\$ 5,085,890		\$ 5,085,890	\$ (2,342,203)	\$ 2,743,687
Other Capital Related Costs							
7	Insurance Premiums		-		-		-
8	Taxes & Licenses		-		-		-
9	Other (Specify)		-		-		-
10	Sub-Total (Lines 7-9)	-	-	-	-	-	-
Non-Capital Related Costs							
11	Salaries	\$ 85,701,355	\$ 85,701,355		\$ 85,701,355	\$ (3,168,069)	\$ 82,533,286
12	Wages		-		-	-	-
13	Payroll Taxes		-		-	-	-
14	Emp Bene-Payroll Related	43,792,693	(1,299,012)	42,493,681	42,493,681	(1,827,508)	40,666,173
15	Emp Bene-Non-Payroll Related		-		-	-	-
16	Profit Sharing/Pension Plans		-		-	-	-
17	Legal Fees		-		-	-	-
18	Auditing & Accounting Fees		-		-	-	-
19	Utilities		-		-	-	-
20	Communications		-		-	-	-
21	Travel & Entertainment		-		-	-	-
22	Transportation		-		-	-	-
23	Clning Office & Admin Supls		-		-	-	-
24	Minor Equipment Expenses		-		-	-	-
25	Repairs & Maintenance		-		-	-	-
26	Dues & Subscriptions		-		-	-	-
27	Contributions		-		-	-	-
28	Insurance Prems-Non-Cap Rel		-		-	-	-
29	Taxes/Licenses-Non-Cap Rel		-		-	-	-
30	General County Overhead		(18,408,615)	(18,408,615)	(18,408,615)		(18,408,615)
31	Services & Supplies	154,652,713		154,652,713	(8,000,318)	146,652,395	(926,908)
32	Other Charges	5,485,448		5,485,448		5,485,448	-
33	Intrafund Transfers	(5,015,410)		(5,015,410)		(5,015,410)	-
34	Revenue	(50,262,916)		(50,262,916)		(50,262,916)	-
35	Non-Allowable Costs		(82,791,653)	(82,791,653)		(82,791,653)	-
36	Sub-Total (Lines 11-35)	\$ 234,353,883	\$ (102,499,280)	\$ 131,854,603	\$ (8,000,318)	\$ 123,854,285	\$ (5,922,485)
37	Total Expenses (3,6,10,36)	\$ 234,353,883	\$ (97,218,347)	\$ 137,135,536	\$ (8,000,318)	\$ 129,135,218	\$ (8,264,688)

* (To Sch 2)

LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010

ALLOCATION OF HOME OFFICE POOLED COSTS BETWEEN
HEALTH CARE FACILITIES AND OTHER CHAIN COMPONENTS

SCHEDULE 2

TOTAL COST (1)	RATIO (1A)	OLD CAP. REL. BLDG. & FIX. (2)	OLD CAP. REL. MOV. EQUIP. (3)	NEW CAP. REL. BLDG. & FIX. (4)	NEW CAP. REL. MOV. EQUIP. (5)	NON-CAPITAL (6)	INTEREST EXPENSE (7)
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PART I - ALLOCATION BETWEEN HEALTH CARE FACILITIES AND OTHER COMPONENTS

1	Health Care Facilities	\$ 2,904,141,794	0.941349	\$ 183,604	\$ -	\$ 6,102	\$ 2,576,666	\$ 111,015,022
2	Other Components	180,942,224	0.058651	11,439	-	380	160,539	6,916,778
3	Home Office/Region Overhead		0.000000	-	-	-	-	-
4	Total	\$ 3,085,084,018	1.000000	\$ 195,043	\$ -	\$ 6,482	\$ 2,737,205	\$ 117,931,800

PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

HEALTH CARE FACILITIES

1	LAC / USC Medical Center	\$ 1,170,264,821	0.402964	73,986	-	2,459	1,038,304	44,735,066
2	Northeast CHC'S and HC	116,107,880	0.039980	7,340	-	244	103,015	4,438,392
3	Harbor / UCLA Medical Center	615,778,765	0.212035	38,930	-	1,294	546,343	23,539,034
4	Coastal CHC'S and HC	32,069,456	0.011043	2,027	-	67	28,453	1,225,901
5	MLK - HARBOR	-	0.000000	-	-	-	-	-
6	MLK - MACC	186,727,868	0.064297	11,805	-	392	165,672	7,137,943
7	Southwest CHC'S and HC	49,587,432	0.017075	3,135	-	104	43,996	1,895,551
8	RLA National Rehab Center	215,609,970	0.074242	13,631	-	453	191,297	8,242,003
9	Olive View / UCLA Medical Center	382,861,577	0.131833	24,205	-	804	339,689	14,635,438
10	San Fernando Valley CHC'S & HC	41,360,715	0.014242	2,615	-	87	36,697	1,581,073
11	High Desert - MACC	75,423,589	0.025971	4,768	-	158	66,919	2,883,176
12	Antelope Valley Health Centers	18,349,721	0.006318	1,160	-	39	16,281	701,445
13			0.000000	-	-	-	-	-
14			0.000000	-	-	-	-	-
15			0.000000	-	-	-	-	-
16			0.000000	-	-	-	-	-
17	TOTAL (Sum of Lines 1-16)	\$ 2,904,141,794	1.000000	\$ 183,604	\$ -	\$ 6,102	\$ 2,576,666	\$ 111,015,022

OTHER COMPONENTS

18	AIDS Program Office		0.000000	\$ -	\$ -	\$ -	\$ -	\$ -
19	Alcohol & Drug Abuse		0.000000	-	-	-	-	-
20	Antelope Valley Rehab Ctr		0.000000	-	-	-	-	-
21	California Children Svcs		0.000000	-	-	-	-	-
22	Juvenile Court Health Svcs	34,353,572	0.189859	2,172	-	72	30,480	1,313,215
23	Office of Managed Care	146,588,652	0.810141	9,268	-	308	130,059	5,603,563
24	Public Health Prog & Svc		0.000000	-	-	-	-	-
25			0.000000	-	-	-	-	-
26	Other Managed Facility		0.000000	-	-	-	-	-
27	TOTAL (Sum of Lines 18-26)	\$ 180,942,224	1.000000	\$ 11,439	\$ -	\$ 380	\$ 160,539	\$ 6,916,778

REGIONAL OFFICES

28			0.000000	-	-	-	-	-
29			0.000000	-	-	-	-	-
30			0.000000	-	-	-	-	-
31			0.000000	-	-	-	-	-
32	TOTAL (Sum of Lines 28-31)	-	-	-	-	-	-	-
33	GRAND TOTAL (17,27,32)	\$ 3,085,084,018		\$ 195,043	\$ -	\$ 6,482	\$ 2,737,205	\$ 117,931,800

(To Sch 3, Col 1)

(To Sch 3, Col 2)

(To Sch 3, Col 4)

**LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010**

POOLED ALLOCATIONS

SCHEDULE 3

OLD CAPITAL (From Sch 2, Col 2) 1	NEW CAPITAL (From Sch 2, Cols 4 & 5) 2	SUBTOTAL OF CAPITAL RELATED (Col 1+ Col 2) 3	NON-CAPITAL RELATED (From Sch 2, Col 6) 4	TOTAL POOLED (BY CLUSTER) (Col 3 + Col 4) 5
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HEALTH CARE FACILITIES

1	LAC / USC Medical Center	\$ 73,986	\$ 1,040,763	\$ 1,114,748	\$ 44,735,066	\$ 45,849,814
2	Northeast CHC'S and HC	7,340	103,259	110,600	4,438,392	4,548,992
3	Harbor / UCLA Medical Center	38,930	547,636	586,567	23,539,034	24,125,601
4	Coastal CHC'S and HC	2,027	28,521	30,548	1,225,901	1,256,449
5	MLK - HARBOR	-	-	-	-	-
6	MLK - MACC	11,805	166,064	177,870	7,137,943	7,315,813
7	Southwest CHC'S and HC	3,135	44,100	47,235	1,895,551	1,942,786
8	RLA National Rehab Center	13,631	191,750	205,382	8,242,003	8,447,385
9	Olive View / UCLA Medical Center	24,205	340,494	364,699	14,635,438	15,000,137
10	San Fernando Valley CHC'S & HC	2,615	36,784	39,399	1,581,073	1,620,472
11	High Desert - MACC	4,768	67,077	71,846	2,883,176	2,955,021
12	Antelope Valley Health Centers	1,160	16,319	17,479	701,445	718,924
13		-	-	-	-	-
14		-	-	-	-	-
15		-	-	-	-	-
16		-	-	-	-	-
17	TOTAL (Sum of Lines 1-16)	\$ 183,604	\$ 2,582,768	\$ 2,766,372	\$ 111,015,022	\$ 113,781,393

OTHER COMPONENTS

18	AIDS Program Office	\$ -	\$ -	\$ -	\$ -	\$ -
19	Alcohol & Drug Abuse	-	-	-	-	-
20	Antelope Valley Rehab Ctr	-	-	-	-	-
21	California Children Svcs	-	-	-	-	-
22	Junvenile Court Health Svcs	2,172	30,552	32,724	1,313,215	1,345,939
23	Office of Managed Care	9,268	130,367	139,635	5,603,563	5,743,198
24	Public Health Prog & Svc	-	-	-	-	-
25		-	-	-	-	-
26	Other Managed Facility	-	-	-	-	-
27	TOTAL (Sum of Lines 18-26)	\$ 11,439	\$ 160,919	\$ 172,358	\$ 6,916,778	\$ 7,089,137

REGIONAL OFFICES

28		-	-	-	-	-
29		-	-	-	-	-
30		-	-	-	-	-
31		-	-	-	-	-
32	TOTAL (Sum of Lines 28-31)	-	-	-	-	-
33	GRAND TOTAL (17,27,32)	\$ 195,043	\$ 2,743,687	\$ 2,938,730	\$ 117,931,800	\$ 120,870,530

(To Sch 4, Col 6)

LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY OF AUDITED HOME COST
TOTAL AUDITED DIRECT AND POOLED EXPENSES

SCHEDULE 4

DIRECT ALLOCATIONS (From Sch 6.3)					POOLED		TOTAL AUDITED ALLOCATIONS (Col 5 + Col 6)
OLD CAPITAL (1)	NEW CAPITAL (2)	SUBTOTAL OF CAPITAL RELATED (Col 1+ Col 2) (3)	NON-CAPITAL RELATED (4)	TOTAL DIRECT (BY FACILITY) (Col 3 + Col 4) (5)	(From Sch 3, Col 5) (6)	(7)	

HEALTH CARE FACILITIES

1	LAC / USC Medical Center	-	25,588	25,588	\$ 1,583,949	\$ 1,609,537	\$ 45,849,814	\$ 47,459,351
2	Northeast CHC'S and HC	-	24,566	24,566	94,102	118,668	4,548,992	4,667,660
3	Harbor / UCLA Medica Ctr	-	43,730	43,730	1,122,596	1,166,326	24,125,601	25,291,927
4	Coastal CHC'S and HC	-	-	-	8,011	8,011	1,256,449	1,264,460
5	MLK - HARBOR	-	-	-	-	-	-	-
6	MLK - MACC	-	25,478	25,478	696,541	722,019	7,315,813	8,037,832
7	Southwest CHC'S and HC	-	43,161	43,161	49,604	92,765	1,942,786	2,035,551
8	RLA National Rehab Center	-	-	-	2,327,214	2,327,214	8,447,385	10,774,599
9	Olive View / UCLA Medical Center	-	54,325	54,325	898,639	952,964	15,000,137	15,953,101
10	San Fernando Valley CHC'S & HC	-	-	-	10,289	10,289	1,620,472	1,630,761
11	High Desert - MACC	-	-	-	1,532,485	1,532,485	2,955,021	4,487,506
12	Antelope Valley Health Centers	-	-	-	4,185	4,185	718,924	723,109
13		-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
15		-	-	-	-	-	-	-
16		-	-	-	-	-	-	-
17	TOTAL (Sum of Lines 1-16)	-	216,848	216,848	\$ 8,327,615	\$ 8,544,463	\$ 113,781,393	\$ 122,325,856

OTHER COMPONENTS

18	AIDS Program Office	-	-	-	-	-	-	-
19	Alcohol & Drug Abuse	-	-	-	-	-	-	-
20	Antelope Valley Rehab Ctr	-	-	-	-	-	-	-
21	California Children Svcs	-	-	-	-	-	-	-
22	Juvenile Court Health Svcs	-	806	806	(905)	(99)	1,345,939	1,345,840
23	Office of Managed Care	-	8,232	8,232	111,387	119,619	5,743,198	5,862,817
24	Public Health Prog & Svc	-	-	-	-	-	-	-
25		-	-	-	-	-	-	-
26	Other Managed Facility	-	-	-	-	-	-	-
27	TOTAL (Sum of Lines 18-26)	-	9,038	9,038	\$ 110,482	\$ 119,520	\$ 7,089,137	\$ 7,208,657

CLUSTERS

28	Northeast Cluster	-	-	-	-	-	-	-
29	Coastal Cluster	-	-	-	-	-	-	-
30	Southwest Cluster	-	-	-	-	-	-	-
31	Rancho Los Amigos Cluster	-	-	-	-	-	-	-
32	San Fernando Valley Cluster	-	-	-	-	-	-	-
33	Antelope Valley Cluster	-	-	-	-	-	-	-
34	TOTAL (Sum of Lines 28-33)	-	-	-	-	-	-	-
35	GRAND TOTAL (17,27,34)	-	225,886	225,886	\$ 8,438,097	\$ 8,663,983	\$ 120,870,530	\$ 129,534,513

REPORTED NET ALLOWABLE EXPENSES (From Sch 1, Col 5) (1)	(Adj 1) (2)	(Adj 2) (3)	(Adj 3) (4)	(Adj 4) (5)	(Adj 5) (6)	(Adj 6) (7)	(Adj 7) (8)	(Adj 8) (9)	SUBTOTAL ADJUSTMENTS (Cols 2 - 9) (10)
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COST CENTER

Capital Related Costs-Old										
1	Old Cap. Rel. Bldg. & Fix.	\$ 195,043								\$ -
2	Old. Cap. Rel. Mov. Equip.									-
3	Sub-Total (Lines 1 & 2)	195,043	-	-	-	-	-	-	-	-
Capital Related Costs-New										
4	New Cap. Rel. Bldg. & Fix.	6,482								-
5	New Cap. Rel. Mov. Equip.	5,079,408	(216,848)	(9,038)						(225,886)
6	Sub-Total (Lines 4 & 5)	5,085,890	-	(216,848)	(9,038)	-	-	-	-	(225,886)
Other Capital Related Costs										
7	Insurance Premiums									-
8	Taxes & Licenses									-
9	Other (Specify)									-
10	Sub-Total (Lines 7-9)									-
Non-Capital Related Costs										
11	Salaries	\$ 85,701,355	\$ (70,401)				\$ (64,535)	\$ (1,749,815)	\$ (1,283,318)	\$ (3,168,069)
12	Wages									-
13	Payroll Taxes									-
14	Emp Bene-Payroll Related	42,493,681	(35,975)			(231,988)	(32,977)	(894,141)	(632,427)	(1,827,508)
15	Emp Bene-Non-Payroll Related									-
16	Profit Sharing/Pension Plans									-
17	Legal Fees									-
18	Auditing & Accounting Fees									-
19	Utilities									-
20	Communications									-
21	Travel & Entertainment									-
22	Transportation									-
23	Clining Office & Admin Supls									-
24	Minor Equipment Expenses									-
25	Repairs & Maintenance									-
26	Dues & Subscriptions									-
27	Contributions									-
28	Insurance Prems-Non-Cap Rel									-
29	Taxes/Licenses-Non-Cap Rel									-
30	General County Overhead	(18,408,615)								-
31	Services & Supplies	146,652,395	(5,011)		(326,392)		(4,594)	(103,704)	(115,050)	(554,751)
32	Other Charges	5,485,448								-
33	Intrafund Transfers	(5,015,410)								-
34	Revenue	(50,262,916)								-
35	Non-Allowable Costs	(82,791,653)								-
36	Sub-Total (Lines 11-35)	\$ 123,854,285	\$ (111,387)	\$ -	\$ (326,392)	\$ (231,988)	\$ (102,106)	\$ (2,747,660)	\$ (2,030,795)	\$ (5,550,328)
37	Total Expenses (3,6,10,36)	\$ 129,135,218	\$ (111,387)	\$ (216,848)	\$ (9,038)	\$ (326,392)	\$ (231,988)	\$ (102,106)	\$ (2,747,660)	\$ (5,776,214)

(To Sch 5.1)

SUBTOTAL (Subtotal from Sch 5) (11)	(Adj 9) (12)	(Adj 10) (13)	(Adj 11) (14)	(Adj 12) (15)	(Adj) (16)	(Adj) (17)	(Adj) (18)	(Adj) (19)	SUBTOTAL ADJUSTMENTS (Cols 11 - 19) (20)
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COST CENTER

Capital Related Costs-Old										
1	Old Cap. Rel. Bldg. & Fix.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
2	Old. Cap. Rel. Mov. Equip.	-								-
3	Sub-Total (Lines 1 & 2)	-	-	-	-	-	-	-	-	-
Capital Related Costs-New										
4	New Cap. Rel. Bldg. & Fix.	-								-
5	New Cap. Rel. Mov. Equip.	(225,886)		(1,149,935)	(960,302)	(6,080)				(2,342,203)
6	Sub-Total (Lines 4 & 5)	(225,886)	-	(1,149,935)	(960,302)	(6,080)	-	-	-	(2,342,203)
Other Capital Related Costs										
7	Insurance Premiums	-								-
8	Taxes & Licenses	-								-
9	Other (Specify)	-								-
10	Sub-Total (Lines 7-9)	-								-
Non-Capital Related Costs										
11	Salaries	\$ (3,168,069)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,168,069)
12	Wages	-								-
13	Payroll Taxes	-								-
14	Emp Bene-Payroll Related	(1,827,508)								(1,827,508)
15	Emp Bene-Non-Payroll Related	-								-
16	Profit Sharing/Pension Plans	-								-
17	Legal Fees	-								-
18	Auditing & Accounting Fees	-								-
19	Utilities	-								-
20	Communications	-								-
21	Travel & Entertainment	-								-
22	Transportation	-								-
23	Clning Office & Admin Supls	-								-
24	Minor Equipment Expenses	-								-
25	Repairs & Maintenance	-								-
26	Dues & Subscriptions	-								-
27	Contributions	-								-
28	Insurance Prems-Non-Cap Rel	-								-
29	Taxes/Licenses-Non-Cap Rel	-								-
30	Interest Expenses	-								-
31	Services & Supplies	(554,751)	(372,157)							(926,908)
32	Other Charges	-								-
33	Intrafund Transfers	-								-
34	Revenue	-								-
35	Non-Allowable Costs	-								-
36	Sub-Total (Lines 11-35)	\$ (5,550,328)	\$ (372,157)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,922,485)
37	Total Expenses (3,6,10,36)	\$ (5,776,214)	\$ (372,157)	\$ (1,149,935)	\$ (960,302)	\$ (6,080)	\$ -	\$ -	\$ -	\$ (8,264,688)

(To Sch 5.2)

LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010

AUDIT ADJUSTMENTS

SCHEDULE 5.2

SUBTOTAL ADJUSTMENTS (From Sch 5.1, Col 20) (21)	(Adj) (22)	(Adj) (23)	(Adj) (24)	(Adj) (25)	(Adj) (26)	(Adj) (27)	(Adj) (28)	SUBTOTAL ADJUSTMENTS (Cols 21 - 28) (29)	AUDITED NET ALLOWABLE EXPENSES (Sch 1, Col 5 + Col 29) (30)
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COST CENTER

Capital Related Costs-Old										
1	Old Cap. Rel. Bldg. & Fix.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,043
2	Old. Cap. Rel. Mov. Equip.	-	-	-	-	-	-	-	-	-
3	Sub-Total (Lines 1 & 2)	-	-	-	-	-	-	-	-	195,043
Capital Related Costs-New										
4	New Cap. Rel. Bldg. & Fix.	-	-	-	-	-	-	-	-	6,482
5	New Cap. Rel. Mov. Equip.	(2,342,203)	-	-	-	-	-	(2,342,203)	-	2,737,205
6	Sub-Total (Lines 4 & 5)	(2,342,203)	-	-	-	-	-	(2,342,203)	-	2,743,687
Other Capital Related Costs										
7	Insurance Premiums	-	-	-	-	-	-	-	-	-
8	Taxes & Licenses	-	-	-	-	-	-	-	-	-
9	Other (Specify)	-	-	-	-	-	-	-	-	-
10	Sub-Total (Lines 7-9)	-	-	-	-	-	-	-	-	-
Non-Capital Related Costs										
11	Salaries	\$ (3,168,069)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,168,069)	\$ -	\$ 82,533,286
12	Wages	-	-	-	-	-	-	-	-	-
13	Payroll Taxes	-	-	-	-	-	-	-	-	-
14	Emp Bene-Payroll Related	(1,827,508)	-	-	-	-	-	(1,827,508)	-	40,666,173
15	Emp Bene-Non-Payroll Related	-	-	-	-	-	-	-	-	-
16	Profit Sharing/Pension Plans	-	-	-	-	-	-	-	-	-
17	Legal Fees	-	-	-	-	-	-	-	-	-
18	Auditing & Accounting Fees	-	-	-	-	-	-	-	-	-
19	Utilities	-	-	-	-	-	-	-	-	-
20	Communications	-	-	-	-	-	-	-	-	-
21	Travel & Entertainment	-	-	-	-	-	-	-	-	-
22	Transportation	-	-	-	-	-	-	-	-	-
23	Clning Office & Admin Supls	-	-	-	-	-	-	-	-	-
24	Minor Equipment Expenses	-	-	-	-	-	-	-	-	-
25	Repairs & Maintenance	-	-	-	-	-	-	-	-	-
26	Dues & Subscriptions	-	-	-	-	-	-	-	-	-
27	Contributions	-	-	-	-	-	-	-	-	-
28	Insurance Prems-Non-Cap Rel	-	-	-	-	-	-	-	-	-
29	Taxes/Licenses-Non-Cap Rel	-	-	-	-	-	-	-	-	-
30	Interest Expenses	-	-	-	-	-	-	-	-	(18,408,615)
31	Services & Supplies	(926,908)	-	-	-	-	-	(926,908)	-	145,725,487
32	Other Charges	-	-	-	-	-	-	-	-	5,485,448
33	Intrafund Transfers	-	-	-	-	-	-	-	-	(5,015,410)
34	Revenue	-	-	-	-	-	-	-	-	(50,262,916)
35	Non-Allowable Costs	-	-	-	-	-	-	-	-	(82,791,653)
36	Sub-Total (Lines 11-35)	\$ (5,922,485)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,922,485)	\$ -	\$ 117,931,800
37	Total Expenses (3,6,10,36)	\$ (8,264,688)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,264,688)	\$ -	\$ 120,870,530

(To Sch 1)

(To Sch 1)

LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010

DIRECT ALLOCATIONS

SCHEDULE 6

OLD CAPITAL		TOTAL OLD CAPITAL (Cols 1 & 2)	NEW CAPITAL					TOTAL NEW CAPITAL (Cols 4 - 8)	TOTAL CAPITAL RELATED (Cols 3 + 9)
REPORTED (1)	(Adj) (2)		REPORTED (4)	(Adj 2) (5)	(Adj 3) (6)	(Adj) (7)	(Adj) (8)		

HEALTH CARE FACILITIES

1	LAC / USC Medical Center	-	-	-	-	25,588				25,588	25,588
2	Northeast CHC'S and HC	-	-	-	-	24,566				24,566	24,566
3	Harbor / UCLA Medical Ctr	-	-	-	-	43,730				43,730	43,730
4	Coastal CHC'S and HC	-	-	-	-	-				-	-
5	MLK HARBOR	-	-	-	-	-				-	-
6	MLK - MACC	-	-	-	-	25,478				25,478	25,478
7	Southwest CHC'S and HC	-	-	-	-	43,161				43,161	43,161
8	RLA National Rehab Center	-	-	-	-	-				-	-
9	Olive View / UCLA Medical Center	-	-	-	-	54,325				54,325	54,325
10	San Fernando Valley CHC'S & HC	-	-	-	-	-				-	-
11	High Desert - MACC	-	-	-	-	-				-	-
12	Antelope Valley Health Centers	-	-	-	-	-				-	-
13		-	-	-	-	-				-	-
14		-	-	-	-	-				-	-
15		-	-	-	-	-				-	-
16		-	-	-	-	-				-	-
17	TOTAL (Sum of Lines 1-16)	-	-	-	-	216,848	-	-	-	216,848	216,848

OTHER COMPONENTS

18	AIDS Program Office	-	-	-	-	-				-	-
19	Alcohol & Drug Abuse	-	-	-	-	-				-	-
20	Antelope Valley Rehab Ctr	-	-	-	-	-				-	-
21	California Children Svcs	-	-	-	-	-				-	-
22	Juvenile Court Health Svcs	-	-	-	-	-	806			806	806
23	Office of Managed Care	-	-	-	-	-	8,232			8,232	8,232
24	Public Health Prog & Svc	-	-	-	-	-				-	-
25		-	-	-	-	-				-	-
26	Other Managed Facility	-	-	-	-	-				-	-
27	TOTAL (Sum of Lines 18-26)	-	-	-	-	-	9,038	-	-	9,038	9,038

CLUSTERS

28	Northeast Cluster	-	-	-	-	-				-	-
29	Coastal Cluster	-	-	-	-	-				-	-
30	Southwest Cluster	-	-	-	-	-				-	-
31	Rancho Los Amigos Cluster	-	-	-	-	-				-	-
32	San Fernando Valley Cluster	-	-	-	-	-				-	-
33	Antelope Valley Cluster	-	-	-	-	-				-	-
34	TOTAL (Sum of Lines 28-33)	-	-	-	-	-	-	-	-	-	-
35	GRAND TOTAL (17,27,34)	-	-	-	-	216,848	9,038	-	-	225,886	225,886

(To Sch 6.3)

(To Sch 6.3)

LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010

DIRECT ALLOCATIONS

SCHEDULE 6.1

NON-CAPITAL REPORTED	NON-CAPITAL RELATED						SUBTOTAL NON-CAPITAL (Col 11 - 17)
	(Adj 1)	(Adj 4)	(Adj)	(Adj)	(Adj)	(Adj)	
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)

HEALTH CARE FACILITIES

1	LAC / USC Medical Center	\$ 1,470,815		\$ 113,134					\$ 1,583,949
2	Northeast CHC'S and HC	94,102							94,102
3	Harbor / UCLA Medical Ctr	998,593		124,003					1,122,596
4	Coastal CHC'S and HC	8,011							8,011
5	MLK - HARBOR	-							-
6	MLK - MACC	696,541							696,541
7	Southwest CHC'S and HC	49,604							49,604
8	RLA National Rehab Center	2,295,735		31,479					2,327,214
9	Olive View / UCLA Medical Center	840,863		57,776					898,639
10	San Fernando Valley CHC'S & HC	10,289							10,289
11	High Desert - MACC	1,532,485							1,532,485
12	Antelope Valley Health Centers	4,185							4,185
13									-
14									-
15									-
16									-
17	TOTAL (Sum of Lines 1-16)	\$ 8,001,223	\$ -	\$ 326,392	\$ -	\$ -	\$ -	\$ -	\$ 8,327,615

OTHER COMPONENTS

18	AIDS Program Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	Alcohol & Drug Abuse								-
20	Antelope Valley Rehab Ctr								-
21	California Children Svcs								-
22	Junvenile Court Health Svcs	(905)							(905)
23	Office of Managed Care	-	111,387						111,387
24	Public Health Prog & Svc								-
25									-
26	Other Managed Facility								-
27	TOTAL (Sum of Lines 18-26)	\$ (905)	\$ 111,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,482

CLUSTERS

28	Northeast Cluster								-
29	Coastal Cluster								-
30	Southwest Cluster								-
31	Rancho Los Amigos Cluster								-
32	San Fernando Valley Cluster								-
33	Antelope Valley Cluster								-
34	TOTAL (Sum of Lines 28-33)	-	-	-	-	-	-	-	-
35	GRAND TOTAL (17,27,34)	\$ 8,000,318	\$ 111,387	\$ 326,392	\$ -	\$ -	\$ -	\$ -	\$ 8,438,097

(To Sch 6.2)

**LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010**

DIRECT ALLOCATIONS

SCHEDULE 6.2

SUBTOTAL NON-CAPITAL (Sch 6.1, Col 18) (19)	NON-CAPITAL RELATED						TOTAL NON-CAPITAL (Col 19 - 25) (26)
	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	
	(20)	(21)	(22)	(23)	(24)	(25)	

HEALTH CARE FACILITIES

1	LAC / USC Medical Center	\$ 1,583,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,583,949
2	Northeast CHC'S and HC	94,102							94,102
3	Harbor / UCLA Medical Ctr	1,122,596							1,122,596
4	Coastal CHC'S and HC	8,011							8,011
5	MLK - HARBOR	-							-
6	MLK - MACC	696,541							696,541
7	Southwest CHC'S and HC	49,604							49,604
8	RLA National Rehab Center	2,327,214							2,327,214
9	Olive View / UCLA Medical Center	898,639							898,639
10	San Fernando Valley CHC'S & HC	10,289							10,289
11	High Desert - MACC	1,532,485							1,532,485
12	Antelope Valley Health Centers	4,185							4,185
13									-
14									-
15									-
16									-
17	TOTAL (Sum of Lines 1-16)	\$ 8,327,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,327,615

OTHER COMPONENTS

18	AIDS Program Office	-							-
19	Alcohol & Drug Abuse	-							-
20	Antelope Valley Rehab Ctr	-							-
21	California Children Svcs	-							-
22	Junvenile Court Health Svcs	(905)							(905)
23	Office of Managed Care	111,387							111,387
24	Public Health Prog & Svc	-							-
25									-
26	Other Managed Facility								-
27	TOTAL (Sum of Lines 18-26)	\$ 110,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,482

CLUSTERS

28	Northeast Cluster								-
29	Coastal Cluster								-
30	Southwest Cluster								-
31	Rancho Los Amigos Cluster								-
32	San Fernando Valley Cluster								-
33	Antelope Valley Cluster								-
34	TOTAL (Sum of Lines 28-33)	-	-	-	-	-	-	-	-
35	GRAND TOTAL (17,27,34)	\$ 8,438,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,438,097

(To Sch 6.3)

**LOS ANGELES COUNTY HOME OFFICE
FISCAL YEAR ENDED JUNE 30, 2010**

DIRECT ALLOCATIONS

SCHEDULE 6.3

TOTAL NON-CAPITAL (Sch 6.2, Col 26) (27)	TOTAL OLD CAPITAL (Sch 6, Col 3) (28)	TOTAL NEW CAPITAL (Sch 6, Col 9) (29)	TOTAL DIRECT ALLOCATIONS (Cols 27 - 29) (30)
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HEALTH CARE FACILITIES

1	LAC+USC Medical Center	\$ 1,583,949	\$ -	\$ 25,588	\$ 1,609,537
2	Northeast CHC'S and HC	94,102	-	24,566	118,668
3	Harbor / UCLA Medical Ctr	1,122,596	-	43,730	1,166,326
4	Coastal CHC'S and HC	8,011	-	-	8,011
5	MLK - HARBOR	-	-	-	-
6	MLK - MACC	696,541	-	25,478	722,019
7	Southwest CHC'S and HC	49,604	-	43,161	92,765
8	RLA National Rehab Center	2,327,214	-	-	2,327,214
9	Olive View / UCLA Medical Center	898,639	-	54,325	952,964
10	San Fernando Valley CHC'S & HC	10,289	-	-	10,289
11	High Desert - MACC	1,532,485	-	-	1,532,485
12	Antelope Valley Health Centers	4,185	-	-	4,185
13		-	-	-	-
14		-	-	-	-
15		-	-	-	-
16		-	-	-	-
17	TOTAL (Sum of Lines 1-16)	\$ 8,327,615	\$ -	\$ 216,848	\$ 8,544,463

OTHER COMPONENTS

18	AIDS Program Office	-	-	-	-
19	Alcohol & Drug Abuse	-	-	-	-
20	Antelope Valley Rehab Ctr	-	-	-	-
21	California Children Svcs	-	-	-	-
22	Junvenile Court Health Svcs	(905)	-	806	(99)
23	Office of Managed Care	111,387	-	8,232	119,619
24	Public Health Prog & Svc	-	-	-	-
25		-	-	-	-
26	Other Managed Facility	-	-	-	-
27	TOTAL (Sum of Lines 18-26)	\$ 110,482	\$ -	\$ 9,038	\$ 119,520

CLUSTERS

28	Northeast Cluster	-	-	-	-
29	Coastal Cluster	-	-	-	-
30	Southwest Cluster	-	-	-	-
31	Rancho Los Amigos Cluster	-	-	-	-
32	San Fernando Valley Cluster	-	-	-	-
33	Antelope Valley Cluster	-	-	-	-
34	TOTAL (Sum of Lines 28-33)	-	-	-	-
35	GRAND TOTAL (17,27,34)	\$ 8,438,097	\$ -	\$ 225,886	\$ 8,663,983

(To Sch 4, Col 5)

Provider Name							Fiscal Period			Provider NPI		Adjustments
LOS ANGELES COUNTY HOME OFFICE							JULY 1, 2009 THROUGH JUNE 30, 2010			N/A		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Work Sheet	Part	Title	Line	Col.						
RECLASSIFICATIONS OF REPORTED COSTS												
1	Schedule 6.1	Schedule J					Office of Managed Care		\$0	\$111,387	\$111,387	
	Schedule 5	Schedule C					Salaries	85,701,355	(70,401)	85,630,954	*	
	Schedule 5	Schedule C					Employee Benefits - Payroll Related	42,493,681	(35,975)	42,457,706	*	
	Schedule 5	Schedule D					Services and Supplies	146,652,395	(5,011)	146,647,384	*	
							To reclassify and directly assign chief network office costs for proper costs allocation.					
							42 CFR 413.24 and 413.50					
							CMS Pub. 15-1, Sections 2150.3, 2300, 2302.4, 2302.8 and 2304					
2	Schedule 6	Schedule J					LAC / USC Medical Center New Capital Related Costs - Mov Equip	\$0	\$25,588	\$25,588		
	Schedule 6	Schedule J					Northeast CHC'S and HC New Capital Related Costs - Mov Equip	0	24,566	24,566		
	Schedule 6	Schedule J					Harbor / UCLA Medical Center New Capital Related Costs - Mov Equip	0	43,730	43,730		
	Schedule 6	Schedule J					MLK - MACC New Capital Related Costs - Mov Equip	0	25,478	25,478		
	Schedule 6	Schedule J					Southwest CHC'S and HC New Capital Related Costs - Mov Equip	0	43,161	43,161		
	Schedule 6	Schedule J					Olive View / UCLA Medical Center New Capital Related Costs - Mov Equip	0	54,325	54,325		
	Schedule 5	Schedule A					New Capital Related Costs - Movable Equipment	5,079,408	(216,848)	4,862,560	*	
							To reclassify and directly assign depreciation expense to the proper entities for proper cost allocation.					
							42 CFR 413.20 and 413.24					
							CMS Pub. 15-1, Sections 2150.3, 2300 and 2304					
3	Schedule 6	Schedule J					Juvenile Court Health Services New Capital Related Costs - Mov Equip	\$0	\$806	\$806		
	Schedule 6	Schedule J					Office of Managed Care New Capital Related Costs - Mov Equip	0	8,232	8,232		
	Schedule 5	Schedule A					New Capital Related Costs - Movable Equipment	* 4,862,560	(9,038)	4,853,522	*	
							To reclassify and directly assign depreciation expense to the proper entities for proper cost allocation.					
							42 CFR 413.20 and 413.24					
							CMS Pub. 15-1, Sections 2150.3, 2300 and 2304					

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
LOS ANGELES COUNTY HOME OFFICE							JULY 1, 2009 THROUGH JUNE 30, 2010			N/A		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>												
4	Schedule 6.1	Schedule J					LAC / USC Medical Center		\$1,470,815	\$113,134	\$1,583,949	
	Schedule 6.1	Schedule J					Harbor / UCLA Medical Center		998,593	124,003	1,122,596	
	Schedule 6.1	Schedule J					RLA National Rehab Center		2,295,735	31,479	2,327,214	
	Schedule 6.1	Schedule J					Olive View / UCLA Medical Center		840,863	57,776	898,639	
	Schedule 5	Schedule D					Services and Supplies	*	146,647,384	(326,392)	146,320,992 *	
							To reclassify and directly assign consulting fees to the proper entities for proper cost allocation.					
							42 CFR 413.20 and 413.24					
							CMS Pub. 15-1, Sections 2150.3, 2300 and 2304					

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
LOS ANGELES COUNTY HOME OFFICE							JULY 1, 2009 THROUGH JUNE 30, 2010			N/A		12
Report References												
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED COSTS												
5	Schedule 5	Schedule C				Employee Benefits - Payroll Related To adjust the provider's adjustment of bond pension cost to agree with the revised allocation schedule of pension obligations for bonds' principal costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$42,457,706	(\$231,988)	\$42,225,718	*	
6	Schedule 5 Schedule 5 Schedule 5	Schedule C Schedule C Schedule D				Salaries Employee Benefits - Payroll Related Services and Supplies To eliminate chief network office costs attributed to the non allowable ambulatory care administration department. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300 and 2304	*	\$85,630,954	(\$64,535)	\$85,566,419	*	
							*	42,225,718	(32,977)	42,192,741	*	
							*	146,320,992	(4,594)	146,316,398	*	
7	Schedule 5 Schedule 5 Schedule 5	Schedule C Schedule C Schedule D				Salaries Employee Benefits - Payroll Related Services and Supplies To eliminate nonallowable ambulatory care administrative department costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300 and 2304	*	\$85,566,419	(\$1,749,815)	\$83,816,604	*	
							*	42,192,741	(894,141)	41,298,600	*	
							*	146,316,398	(103,704)	146,212,694	*	
8	Schedule 5 Schedule 5 Schedule 5	Schedule C Schedule C Schedule D				Salaries Employee Benefits - Payroll Related Services and Supplies To eliminate nonallowable coverage initiative administrative costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300 and 2304	*	\$83,816,604	(\$1,283,318)	\$82,533,286	*	
							*	41,298,600	(632,427)	40,666,173	*	
							*	146,212,694	(115,050)	146,097,644	*	

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
LOS ANGELES COUNTY HOME OFFICE							JULY 1, 2009 THROUGH JUNE 30, 2010			N/A		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED COSTS												
9	Schedule 5.1	Schedule D					Services and Supplies To eliminate non allowable building rental costs associated with the building located at 522 South San Pedro Street. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300 and 2304	*	\$146,097,644	(\$372,157)	\$145,725,487	
10	Schedule 5.1	Schedule A					New Capital Related Costs - Movable Equipment To adjust depreciation expense to agree with the provider's depreciation schedules. 42 CFR 413.20, 413.24, 413.50, and 413.134 CMS Pub. 15-1, Sections 102, 2300, 2302.4 and 2304	*	\$4,853,522			
11							To eliminate depreciation expense related to the emergency medical services unit because this cost is non-allocable costs. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2300 and 2304			(960,302)		
12							To eliminate public health department depreciation expense per prior year audit findings. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			<u>(6,080)</u> <u>(\$2,116,317)</u>	\$2,737,205	

*Balance carried forward from prior/to subsequent adjustments