

**REPORT
ON THE
RATE DEVELOPMENT BRANCH SCHEDULES**

**KAISER FOUNDATION HOSPITALS – BALDWIN PARK
BALDWIN PARK, CALIFORNIA
PROVIDER NUMBER: ZZT 30723F
NPI: 1477608271**

**FISCAL PERIOD ENDED
DECEMBER 31, 2008**

**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: Manny T. Tria**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

October 7, 2010

Jane C. Moore, Manager
Medicare Finance Department
Kaiser Foundation Hospitals
Government Reimbursements and Reports
393 East Walnut Street
Pasadena, CA 91188

KAISER FOUNDATION HOSPITALS – BALDWIN PARK
PROVIDER NO. HSP 30723F
NPI: 1477608271
FISCAL PERIOD ENDED DECEMBER 31, 2008

We have examined the Rate Development Branch 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 Branch 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 Branch 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 Department's Rate Development Branch pursuant to California Code of Regulations (CCR), Title 22, Sections 51545 through 51556. These regulations may be viewed at www.oal.ca.gov.

Jane C. Moore
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If you disagree with the decision of the Department, you may appeal by writing to:

Chief
Office of Administrative Appeals and Hearings
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 95899-7413

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 95814-5005
(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

RATE DEVELOPMENT WORKSHEETS

PROVIDER: KAISER FOUNDATION HOSPITALS - BALDWIN PARK
PROVIDER NO. HSP 30723F / NPI 1477608271
FISCAL PERIOD: JANUARY 1, 2008 THROUGH DECEMBER 31, 2008
CONTRACT PERIOD: N/A

	Noncontract Cost Settlement		Medi-Cal For Contract Services		Medi-Cal Total For Fiscal Period
<u>ACUTE CARE ONLY*</u>					
A. Medi-Cal Net Cost of Covered Services Plus Hospital-Based Physician Costs, Excluding Return on Equity (Adj. 1)	\$ 1,233,958				\$ 1,233,958
B. Deductibles and Coinsurance (Third Party Liability) (Adj. 2)	\$ 10,526				\$ 10,526
C. Medi-Cal Inpatient Days (Adjs. 3-6)					
1. Routine (Adults & Pediatrics)		254			254
2. ICU					
3. CCU		83			83
4. Nursery		31			31
5. NICU		133			133
6. Other (Specify)					
a.					
b.					
D. Total Hospital Discharges ** (Adj.)		N/A		N/A	15,971
E. Total Medi-Cal Discharges** (Adj. 7)		121			121
F. Total Medi-Cal Inpatient Charges (Adj. 8)	\$ 1,676,765				\$ 1,676,765

RATE DEVELOPMENT WORKSHEETS

PROVIDER: KAISER FOUNDATION HOSPITALS - BALDWIN PARK
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FISCAL PERIOD: JANUARY 1, 2008 THROUGH DECEMBER 31, 2008
CONTRACT PERIOD: N/A

A. EXPENSE PASS-THROUGH DATA	<u>REFERENCE</u>		
1. Depreciation Expense:	8810 - 8813, and/or .71, .72, .73 and .74	\$	10,510,795
2. Rent and Lease Expense:	8820, and/or .75 and .76	\$	3,400,114
3. Interest Expense:	8860, 8870	\$	1,118,516
4. Property Taxes and License Fees:	8850 and/or .83	\$	311,522
5. Utility Expense:	.77, .78, .79, and .80	\$	5,262,163
6. Malpractice Insurance Expense:	8830 and/or .81	\$	1,116,663
 B. GROSS OPERATING EXPENSES	 Sch 10, line 101, col. 3	 \$	 306,214,807
C. STUDENT AND PHYSICIANS COMPENSATION			
1. Salaries and Wages (include benefits)	.07, 8210.09 - 8290.09	\$	
2. Professional Fees	.20	\$	
D. PHARMACY NONLABOR EXPENSES	8390.37 and 8390.38	\$	4,180,284
E. FOOD SERVICES NONLABOR EXPENSES	8320, 8330 and 8340 and/or .42 and .43	\$	1,350,457
F. DIRECT OPERATING COSTS			
1. Salaries and Wages	.00 - .09, .91, .95	\$	82,853,103
2. Employee Benefits	.10 - .19, .92, .96	\$	37,035,279
3. Other Professional Fees	.21 - .29	\$	4,505
4. Purchased Services	.61 - .69	\$	105,511,332
5. Supplies	.31 - .36, .93, .97	\$	50,180,861
6. Other Direct Operating Expense	.85 - .90	\$	3,379,213

RATE DEVELOPMENT WORKSHEETS

PROVIDER: KAISER FOUNDATION HOSPITALS - BALDWIN PARK
PROVIDER NO. HSP 30723F / NPI 1477608271
FISCAL PERIOD: JANUARY 1, 2008 THROUGH DECEMBER 31, 2008
CONTRACT PERIOD: N/A

A. DIRECT PAYROLL COSTS (Totals)	<u>REFERENCE</u>		
1. Management and Supervision			
a. Productive Salaries	.00	\$	7,146,987
b. Productive Hours			152,983.00
2. Technicians and Specialists			
a. Productive Salaries	.01	\$	8,410,647
b. Productive Hours			191,621.00
3. Registered Nurses			
a. Productive Salaries	.02	\$	32,724,065
b. Productive Hours			684,255.00
4. Licensed Vocational Nurses			
a. Productive Salaries	.03	\$	1,307,486
b. Productive Hours			46,965.00
5. Aides and Orderlies			
a. Productive Salaries	.04	\$	1,212,098
b. Productive Hours			62,813.00
6. Physicians (Salaried)			
a. Productive Salaries	.07	\$	
b. Productive Hours			
7. Nonphysician Medical Practitioners			
a. Productive Salaries	.08	\$	24,172
b. Productive Hours			345.00
8. Environmental and Food Services			
a. Productive Salaries	.06	\$	5,450,885
b. Productive Hours			307,767.00
9. Clerical and Other Administrative			
a. Productive Salaries	.05	\$	9,008,136
b. Productive Hours			409,431.00
10. Other Salaries and Wages			
a. Productive Salaries	.09	\$	2,512,611
b. Productive Hours			133,963.00
11. All Nonproductive Salaries and Wages			
a. Productive Salaries	Labor Distribution	\$	15,056,016
b. Productive Hours	Report or Provider W/P		356,022.00
B. SUBTOTALS DIRECT PAYROLL COSTS			
1. Productive Salaries (lines 1a - 10a)		\$	<u>67,797,087</u>
2. Productive Hours (lines 1b - 10b)			<u>1,990,143.00</u>
C. TOTAL PRODUCTIVE AND NONPRODUCTIVE SALARIES (11a + B1)		\$	<u>82,853,103</u>
D. TOTAL PRODUCTIVE AND NONPRODUCTIVE HOURS (11b + B2)			<u>2,346,165.00</u>

AUDIT ADJUSTMENTS

Provider: KAISER FOUNDATION HOSPITALS - BALDWIN PARK		Provider No. HSP 30723F	Fiscal Period: JANUARY 1, 2008 THROUGH DECEMBER 31, 2008		No. of Adjs: 9	
Report Reference		Explanation of Audit Adjustments			Increase (Decrease)	Audited
Adj. No.	Form Page	Line	Reported			
<u>ADJUSTMENTS TO RATE DEVELOPMENT WORKSHEETS</u>						
1	A&I-2 1	A	\$ 616,825	\$ 617,133	\$ 1,233,958	
2	A&I-2 1	B	\$ 5,593	4,933	\$ 10,526	
3	A&I-2 1	C-1	156	98	254	
4	A&I-2 1	C-3	48	35	83	
5	A&I-2 1	C-4	62	(31)	31	
6	A&I-2 1	C-5	0	133	133	
7	A&I-2 1	E	87	34	121	
8	A&I-2 1	F	\$ 1,487,425	\$ 189,340	\$ 1,676,765	
9	A&I-2 2	F-6	\$ 0	\$ 3,379,213	\$ 3,379,213	

To adjust the Rate Development Worksheets to agree with audit adjustments and/or Provider records.
Title 22, CCR, Section 51536

