

**APPEAL RECOMPUTATION
OF THE
AUDIT REPORT**

**LAC – MARTIN LUTHER KING, JR. - MACC
LOS ANGELES, CALIFORNIA
PROVIDER NUMBER: FHC40578F
NATIONAL PROVIDER IDENTIFIER: 1245343052**

**FISCAL PERIOD
AUGUST 25, 2007 THROUGH JUNE 30, 2008**

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

**Section Chief: Maria Delgado
Audit Supervisor: Ginn Sampson
Auditor: Xuan Wang**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 3, 2013

Judy Wong, Head
State Reimbursement Section
Program Reimbursement Division
Department of Health Services
County of Los Angeles
313 North Figueroa Street, Room 426
Los Angeles, California 90012

In the Matter of:

PROVIDER: LAC – MARTIN LUTHER KING, JR. - MACC
PROVIDER NO.: FHC40578F
NATIONAL PROVIDER IDENTIFIER: 1245343052
FISCAL PERIOD: AUGUST 25, 2007 THROUGH JUNE 30, 2008
CASE NO.: FQ12-0608-831K-AJ

Pursuant to the Office of Administrative Hearings and Appeals' Report of Findings dated June 4, 2013, the following revisions are made to the Medi-Cal audit report dated November 23, 2011.

SUMMARY OF REVISIONS

<u>COST BASED REIMBURSEMENT CLINIC (CBRC FORM 2)</u>	
Audited Amount Due Provider (State)	\$ 18,568,260
Revision	<u>42,441</u>
Revised Amount Due Provider (State)	\$ <u>18,610,701</u>

Enclosed is the revised Summary of Findings and supporting schedules detailing the results of the recomputation.

A copy of the final settlement amount is being sent to the fiscal intermediary. This final settlement amount will be incorporated in a Statement of Account Status, which may reflect other financial transactions such as tentative settlement payments, final settlement payments, and/or lump sum rate adjustments. The Statement of Account Status with the amount due the State or owed to the provider (including interest as

Judy Wong
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prescribed by law) will be forwarded to the provider by the fiscal intermediary. Instructions regarding payment, if necessary, will be included with the Statement of Account Status.

Original Signed By:

Maria Delgado, Chief
Audits Section—Gardena
Financial Audits Branch

cc: Anita D. Lee
Office of the County Counsel
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 602
Los Angeles, CA 90012

County of Los Angeles - Department of Health Services
Total Costs
 Facility: Martin Luther King, Jr. - MACC
 Fiscal Year 2007-08

CBRC
FORM 1

CMS Line No.	Cost Centers	1 Direct Costs (Rev)	2 Allocated Costs	3 Off-site Ancillary/ Indigent Costs (Rev)	4 Total Allowable CBRC Costs Col. 1 + Col. 2 - Col. 3
1.00	MACC A&G Overhead Costs	\$ 110,682,671		175,583	\$ 110,507,088
2.00	MACC Reimb. Patient Care Costs	55,481,985		753,603	54,728,382
5.00	Old Capital - Related Costs - Bldg. and Fixtures		\$	0	
6.00	Old Capital - Related Costs - Movable Equipment			0	
7.00	New Capital - Related Costs - Bldg. And Fixtures			0	
8.00	New Capital Related Costs - Movable Equipment			0	
9.00	Employee Benefits			0	
10.00	Administrative and General			0	
11.00	Maintenance and Repairs			0	
12.00	Operation of Plant			0	
13.00	Laundry & Linen Service			0	
14.00	Housekeeping			0	
15.00	Dietary			0	
16.00	Cafeteria			0	
17.00	Nursing Administration			0	
18.00	Central Services and Supplies			0	
19.00	Pharmacy			0	
20.00	Medical Records & Medical Records Library			0	
21.00	Social Services			0	
22.00	PFSW Provider/Eligibility			0	
23.00	PFSW Provider		NA	0	
24.00	Physicians			0	
25.00	Nonphysician Anesthetists			0	
26.00	Nonphysician Practitioner			0	
27.00	Nursing School			0	
28.00	I & R Services - Salaries & Fringe B. Approved			0	
29.00	I & R Other Program Costs Approved			0	
30.00	Physicians Teaching Program Costs			0	
31.00	Paramedic Education Program			0	
	Total	<u>\$ 166,164,656</u>	<u>\$ 0</u>	<u>929,186</u>	<u>\$ 165,235,470</u>

This total to
Form 2, Line 1

County of Los Angeles - Department of Health Services
 Determination of CBRC Settlement
 Facility: Martin Luther King, Jr. - MACC
 Fiscal Year 2007-08

1.	Total Costs (Form 1, Col. 4)	\$	165,235,470
2.	Determination of Overhead Costs Applicable to non-reimbursable MACC Health Care Services		
	a. MACC Health Care Services Costs (Form 1, Col. 4, Line 2)	54,728,382	
	b. Non-Reimbursable MACC Costs (Rev)	1,717,052	
	c. Cost of all MACC Costs - Excluding Overhead Costs (Line 2a + Line 2b)	56,445,434	
	d. Percentage of Non-Reimbursable MACC Costs (Line 2b / Line 2c)	0.0304	
	e. Total MACC General Overhead Costs (CBRC Form 1, Col. 4, Line 1)	110,507,088	
	f. Overhead Applicable to Non-Reimbursable MACC Costs (Line 2d X Line 2e)	\$	3,361,590
3.	Total Cost of Reimbursable MACC Services (Line 1 - Line 2f)	\$	<u>161,873,880</u>
4.	Total Visits (Billable CBRC Visits) (Rev)		<u>101,330</u>
5.	Average Cost Per Visit (Line 3 divided by Line 4)		1,597.49
6.	Medi-Cal Visits (Rev 1)		<u>19,103</u>
7.	Total Medi-Cal Cost (Line 5 X Line 6)	\$	<u>30,516,851</u>
8.	<u>Less Payments:</u>		
	a. Medi-Cal (Billing Code 01 & 03) (Rev 2)		11,880,075
	b. Patient Share of Cost (Rev)		<u>3,622</u>
	c. Total Payments		<u>11,883,697</u>
8.1	Medi-Cal Credit Balance (Rev)		22,453
9.	Balance Due Provider/(State) Before Protested Items (Line 7 - Line 8c - Line 9)	\$	<u>18,610,701</u>
10.	Protested Items: (Rev)	\$	<u>0</u>
11.	Balance Due Provider/(State) After Protested Items	\$	<u>18,610,701</u>

Provider Name			Fiscal Period					Provider Number		Revisions
LAC - MARTIN LUTHER KING JR.- MACC			AUGUST 25, 2007 THROUGH JUNE 30, 2008					FHC40578F		2
Report References			Explanation of Appeal Revisions					As Audited	Increase (Decrease)	As Revised
Rev. No.	Revised Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
REVISIONS TO AUDITED MEDI-CAL SETTLEMENT DATA										
1	Form 2	Form 2			6.00	1	Medi-Cal Visits APPEAL FINDING FOR ADJUSTMENT NO 25 ON THE AUDIT REPORT (Source: Report of Findings dated June 4, 2013, Issue number 5) Case No.: FQ12-0608-831K-AJ	19,059	44	19,103
2	Form 2	Form 2			8a	1	Medi-Cal (Billing Code 01 & 03) APPEAL FINDING FOR ADJUSTMENT NO 26 ON THE AUDIT REPORT (Source: Report of Findings dated June 4, 2013, Issue number 5) Case No.: FQ12-0608-831K-AJ	\$11,852,227	\$27,848	\$11,880,075