

**APPEAL RECOMPUTATION
OF THE
AUDIT REPORT**

**LAC – SOUTHWEST CLUSTER
LOS ANGELES, CALIFORNIA
PROVIDER NUMBERS: FHC11866F AND FHC70077F
NATIONAL PROVIDER IDENTIFIERS: 1982611919 AND
1235247578**

**FISCAL PERIOD ENDED
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 – SOUTHWEST CLUSTER
PROVIDER NOS.: FHC11866F AND FHC70077F
NATIONAL PROVIDER IDENTIFIERS: 1982611919 AND 1235247578
FISCAL PERIOD ENDED: JUNE 30, 2008
CASE NO.: FQ12-0608-830K-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)	\$	3,000,905
Revision		<u>10,919</u>
Revised Amount Due Provider (State)	\$	<u><u>3,011,824</u></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
Page 2

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: Southwest Cluster
 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	CHC/HC A&G Overhead Costs	\$ 25,989,827		94,690	\$ 25,895,137
2.00	CHC/HC Reimb. Patient Care Costs	24,235,695		295,015	23,940,680
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>\$ 50,225,522</u>	<u>\$ 0</u>	<u>389,705</u>	<u>\$ 49,835,817</u>

This total to
Form 2, Line 1

County of Los Angeles - Department of Health Services
Determination of CBRC Settlement
Facility: Southwest Cluster
Fiscal Year 2007-08

1.	Total Costs (Form 1, Col. 4)	\$	49,835,817
2.	Determination of Overhead Costs Applicable to non-reimbursable CHC/HC Health Care Services		
	a. CHC/HC Health Care Services Costs (Form 1, Col. 4, Line 2)		23,940,680
	b. Non-Reimbursable CHC/HC Costs (Rev)		495,894
	c. Cost of all CHC/HC Costs - Excluding Overhead Costs (Line 2a + Line 2b)		24,436,574
	d. Percentage of Non-Reimbursable CHC/HC Costs (Line 2b / Line 2c)		0.0203
	e. Total CHC/HC General Overhead Costs (CBRC Form 1, Col. 4, Line 1)		25,895,137
	f. Overhead Applicable to Non-Reimbursable CHC/HC Costs (Line 2d X Line 2e)	\$	525,493
3.	Total Cost of Reimbursable CHC/HC Services (Line 1 - Line 2f)	\$	<u>49,310,324</u>
4.	Total Visits (Billable CBRC Visits) (Rev)		<u>99,151</u>
5.	Average Cost Per Visit (Line 3 divided by Line 4)		497.33
6.	Medi-Cal Visits (Rev 1)		<u>10,587</u>
7.	Total Medi-Cal Cost (Line 5 X Line 6)	\$	<u>5,265,233</u>
8.	<u>Less Payments:</u>		
	a. Medi-Cal (Billing Code 01 & 03) (Rev 2)		2,252,922
	b. Patient Share of Cost		487
	c. Total Payments		<u>2,253,409</u>
9.	Balance Due Provider/(State) Before Protested Items (Line 7 - Line 8c)	\$	<u>3,011,824</u>
10.	Protested Items: (Rev)	\$	<u>0</u>
11.	Balance Due Provider/(State) After Protested Items	\$	<u>3,011,824</u>

Provider Name							Fiscal Period			Provider Number		Revisions
LAC - SOUTHWEST CLUSTER							JULY 1, 2007 THROUGH JUNE 30, 2008			FHC11866F		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 17 ON THE AUDIT REPORT (Source: Report of Findings dated June 4, 2013, Issue number 5) Case No.: FQ12-0608-830K-AJ	10,549	38	10,587		
2	Form 2	Form 2			8a	1	Medi-Cal (Billing Code 01 & 03) APPEAL FINDING FOR ADJUSTMENT NO 18 ON THE AUDIT REPORT (Source: Report of Findings dated June 4, 2013, Issue number 5) Case No.: FQ12-0608-830K-AJ	\$2,244,942	\$7,980	\$2,252,922		