

**APPEAL RECOMPUTATION  
OF THE  
AUDIT REPORT**

**SIERRA VIEW DISTRICT HOSPITAL  
PORTERVILLE, CALIFORNIA  
PROVIDER NUMBER: ZZT30261F**

**FISCAL PERIOD ENDED  
JUNE 30, 2008**

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

**Section Chief: Michael Harrold  
Audit Supervisor: Kathy Atkins  
Auditor: Jeanene Lopez**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

January 31, 2012

Doug Dickson, CFO  
Sierra View District Hospital  
465 West Putnam  
Porterville, CA 93257

In the Matter of:

PROVIDER: SIERRA VIEW DISTRICT HOSPITAL  
PROVIDER NO. ZZT30261F  
NPI NO.1073736443  
FISCAL PERIOD ENDED JUNE 30, 2008  
CASE NOS. HA10-0608-909G-JB and RD11-0608-415G-CH

Pursuant to the Office of Administrative Hearings and Appeals' Report of Findings dated December 9, 2010 and December 15, 2011, revisions are made to the Rate Development Branch Schedules dated August 10, 2010.

Enclosed are the revised schedules detailing the results of the recomputation.

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](http://www.oal.ca.gov).

Original Signed by

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

Enclosure

cc: See next page

Doug Dickson  
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cc: Evie Correa, Chief  
Audit Review and Analysis Section  
DHCS – A&I – Financial Audits Section  
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**RATE DEVELOPMENT WORKSHEETS**

**PROVIDER:** SIERRA VIEW DISTRICT HOSPITAL  
**PROVIDER NO.:** ZZT30261F  
**FISCAL PERIOD:** JULY 1, 2007 THROUGH JUNE 30, 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	\$ 13,585,029	\$		\$	13,585,029
B. Deductibles and Coinsurance (Third Party Liability)	\$ 750,483	\$		\$	750,483
C. Medi-Cal Inpatient Days (Adj. 3-5)					
1. Routine (Adults & Pediatrics)	7,001				7,001
2. ICU	630				630
3. CCU					
4. Nursery	1,804				1,804
5. NICU					
6. Other					
D. Total Hospital Discharges	N/A		N/A		8,425
E. Total Medi-Cal Discharges (Rev. 1 & 2)	2,038				2,038
F. Total Medi-Cal Inpatient Charges	\$ 52,302,318	\$		\$	52,302,318

## RATE DEVELOPMENT WORKSHEETS

**PROVIDER:** SIERRA VIEW DISTRICT HOSPITAL  
**PROVIDER NO.** ZZT30261F  
**FISCAL PERIOD:** JULY 1, 2007 THROUGH JUNE 30, 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	\$	5,730,899
2. Rent and Lease Expense:	8820, and/or .75 and .76	\$	2,011,301
3. Interest Expense:	8860, 8870	\$	1,764,219
4. Property Taxes and License Fees:	8850 and/or .83	\$	193,137
5. Utility Expense:	.77, .78, .79, and .80	\$	1,702,903
6. Malpractice Insurance Expense:	8830 and/or .81	\$	820,846
 B. GROSS OPERATING EXPENSES	 Sch 10, line 101, col. 3	 \$	 111,617,869
C. STUDENT AND PHYSICIANS COMPENSATION			
1. Salaries and Wages (include benefits)	.07, 8210.09 - 8290.09	\$	
2. Professional Fees	.20	\$	3,398,976
D. PHARMACY NONLABOR EXPENSES	8390.37 and 8390.38	\$	5,363,163
E. FOOD SERVICES NONLABOR EXPENSES	8320, 8330 and 8340 and/or .42 and .43	\$	828,269
F. DIRECT OPERATING COSTS			
1. Salaries and Wages	.00 - .09, .91, .95	\$	42,707,848
2. Employee Benefits	.10 - .19, .92, .96	\$	17,295,076
3. Other Professional Fees	.21 - .29	\$	8,504,942
4. Purchased Services	.61 - .69	\$	6,397,790
5. Supplies	.31 - .36, .93, .97	\$	12,230,461

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**PROVIDER:** SIERRA VIEW DISTRICT HOSPITAL  
**PROVIDER NO.** ZZT30261F  
**FISCAL PERIOD:** JULY 1, 2007 THROUGH JUNE 30, 2008  
**CONTRACT PERIOD:** N/A

A. DIRECT PAYROLL COSTS (Totals)	<u>REFERENCE</u>		
1. Management and Supervision			
a. Productive Salaries	.00	\$	5,929,734
b. Productive Hours			135,080.00
2. Technicians and Specialists			
a. Productive Salaries	.01	\$	9,536,381
b. Productive Hours			365,376.00
3. Registered Nurses			
a. Productive Salaries	.02	\$	12,700,799
b. Productive Hours			319,838.00
4. Licensed Vocational Nurses			
a. Productive Salaries	.03	\$	2,738,551
b. Productive Hours			126,262.00
5. Aides and Orderlies			
a. Productive Salaries	.04	\$	2,050,401
b. Productive Hours			161,328.00
6. Physicians (Salaried)			
a. Productive Salaries	.07	\$	0
b. Productive Hours			0.00
7. Nonphysician Medical Practitioners			
a. Productive Salaries	.08	\$	0
b. Productive Hours			0.00
8. Environmental and Food Services			
a. Productive Salaries	.06	\$	1,547,476
b. Productive Hours			138,032.00
9. Clerical and Other Administrative			
a. Productive Salaries	.05	\$	4,768,151
b. Productive Hours			355,527.00
10. Other Salaries and Wages			
a. Productive Salaries	.09	\$	0
b. Productive Hours			0.00
11. All Nonproductive Salaries and Wages			
a. Nonproductive Salaries	Labor Distribution	\$	4,740,308
b. Nonproductive Hours	Report or Provider W/P		272,445.00
<b>B. SUBTOTALS DIRECT PAYROLL COSTS</b>			
1. Productive Salaries (lines 1a - 10a)		\$	<u>39,271,493</u>
2. Productive Hours (lines 1b - 10b)			<u>1,601,443.00</u>
<b>C. TOTAL PRODUCTIVE AND NONPRODUCTIVE SALARIES (11a + B1)</b>		<b>\$</b>	<b><u>44,011,801</u></b>
<b>D. TOTAL PRODUCTIVE AND NONPRODUCTIVE HOURS (11b + B2)</b>			<b><u>1,873,888.00</u></b>

**AUDIT REVISIONS**

Provider: SIERRA VIEW DISTRICT HOSPITAL		Provider No. ZZT30261F	Fiscal Period: JULY 1, 2007 THROUGH JUNE 30, 2008		No. of Revs: 2	
Report Reference		Explanation of Audit Revisions			Increase (Decrease)	Revised
Rev. No.	Form	Page	Line	Audited		
1	DHS 3094	1	E	2,077	(62)	
2					<u>23</u> (39)	2,038

**REVISIONS TO RATE DEVELOPMENT WORKSHEETS**

Total Medi-Cal Discharges - Acute - Noncontract

Informal Appeal Finding (12/09/10) - Issue no. 2

Informal Appeal Finding (12/15/11) - Issue no. 1