

**REPORT ON THE AUDIT OF  
RATE DEVELOPMENT SCHEDULES**

**EL CENTRO REGIONAL MEDICAL CENTER  
EL CENTRO, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1861409823**

**FISCAL PERIOD ENDED  
JUNE 30, 2009**

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

**Section Chief: Patricia M. Fox  
Audit Supervisor: Sergio Gonzalez  
Auditor: Pasia Moua**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

December 18, 2012

Administrator  
El Centro Regional Medical Center  
1415 Ross Avenue  
El Centro, CA 92243-4398

EL CENTRO REGIONAL MEDICAL CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1861409823  
FISCAL PERIOD ENDED JUNE 30, 2009

We have examined the Rate Development 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 field audit.

In our opinion, the audited data presented in the Rate Development 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 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 Fee-For-Service Rates Development Division 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).

If you disagree with the decision of the Department, you may appeal by writing to:

Chief  
Department of Health Care Services  
Office of Administrative Hearings and Appeals  
1029 J Street, Suite 200  
Sacramento, CA 95814  
(916) 322-5603

Administrator  
Page 2

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

**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  
(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—San Diego at (619) 688-3200.

Original Signed by

Patricia M. Fox, Chief  
Audits Section—San Diego  
Financial Audits Branch

Certified

## RATE DEVELOPMENT SCHEDULES

**PROVIDER NAME** EL CENTRO REGIONAL MEDICAL CENTER  
**NPI** 1861409823  
**FISCAL PERIOD** JULY 1, 2008 THROUGH JUNE 30, 2009  
**CONTRACT PERIOD** N/A

	Noncontract Cost Services	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 (Schedule 1, Line 1) (Adj 1)	\$ 15,075,826	\$	\$ 15,075,826
B. Deductibles and Coinsurance (Third Party Liability) (Schedule 3, Lines 9 and 10) (Adj 2)	\$ 294,529	\$	\$ 294,529
C. Medi-Cal Inpatient Days (Adjs 3-6) (Schedules 4 and 4A)			
1. Routine (Adults and Pediatrics)	6,039.50		6,039.50
2. ICU	1,099.75		1,099.75
3. CCU			
4. Nursery	1,215.00		1,215.00
5. NICU	413.50		413.50
6. Other (Specify)			
a.			
b.			
D. Total Hospital Discharges***	N/A	N/A	5,918
E. Total Medi-Cal Discharges*** (Adj 7)	1,839		1,839
F. Total Medi-Cal Inpatient Charges (Schedule 2, Line 4) (Adj 8)	\$ 59,597,091	\$	\$ 59,597,091

\* Data for NF or Administrative Days are not included.

\*\* The Audited Net Cost of Covered Services is Net of Deductibles and Coinsurance and is from a source different than used on the filed report.

\*\*\* Data for newborns that were born in the hospital are not included.

**RATE DEVELOPMENT SCHEDULES**

<b>PROVIDER NAME</b>	<b>EL CENTRO REGIONAL MEDICAL CENTER</b>
<b>NPI</b>	<b>1861409823</b>
<b>FISCAL PERIOD</b>	<b>JULY 1, 2008 THROUGH JUNE 30, 2009</b>
<b>CONTRACT PERIOD</b>	<b>N/A</b>

	<u>REFERENCE</u>		
<b>A. EXPENSE PASS-THROUGH DATA</b>			
1. Depreciation Expense:	8810 - 8813, and/or .71, .72, .73 and .74	\$	4,834,177
2. Rent and Lease Expense:	8820-8822, and/or .75 and .76	\$	1,598,914
3. Interest Expense:	8860, 8870	\$	1,940,657
4. Property Taxes and License Fees:	8850 and/or .83	\$	239,036
5. Utility Expense:	.77, .78, .79, and .80	\$	1,701,232
6. Malpractice Insurance Expense:	8830 and/or .81	\$	540,993
<b>B. GROSS OPERATING EXPENSES</b> (Adj 9)	Sch 10, line 101, col. 3	\$	87,152,978
<b>C. STUDENT AND PHYSICIANS COMPENSATION</b>			
1. Salaries and Wages (include benefits)	.07, 8210.09 - 8290.09	\$	0
2. Professional Fees	.20	\$	3,110,266
<b>D. PHARMACY NONLABOR EXPENSE</b>	8390.37 and 8390.38	\$	2,844,443
<b>E. FOOD SERVICES NONLABOR EXPENSE</b>	8320, 8330 and 8340 and/or .42 and .43	\$	550,627
<b>F. DIRECT OPERATING COSTS</b>			
1. Salaries and Wages	.00 - .09, .91, .95	\$	37,176,038
2. Employee Benefits	.10 - .19, .92, .96	\$	10,821,198
3. Other Professional Fees	.21 - .29	\$	2,400,033
4. Purchased Services	.61 - .69	\$	5,569,919
5. Supplies	.31 - .36, .39 - .41 .44 - .50, .93, .97	\$	14,580,882
6. Other Direct Operating Expense (Adj 10)	.85 - .90	\$	1,784,699

**RATE DEVELOPMENT SCHEDULES**

**PROVIDER NAME** EL CENTRO REGIONAL MEDICAL CENTER  
**NPI** 1861409823  
**FISCAL PERIOD** JULY 1, 2008 THROUGH JUNE 30, 2009  
**CONTRACT PERIOD** N/A

A. DIRECT PAYROLL COSTS (Totals)	<u>REFERENCE</u>		
1. Management and Supervision			
a. Productive Salaries	.00	\$	7,053,791
b. Productive Hours			166,847.00
2. Technicians and Specialists			
a. Productive Salaries	.01	\$	7,371,731
b. Productive Hours			281,464.00
3. Registered Nurses			
a. Productive Salaries	.02	\$	12,478,826
b. Productive Hours			364,143.00
4. Licensed Vocational Nurses			
a. Productive Salaries	.03	\$	504,355
b. Productive Hours			21,586.00
5. Aides and Orderlies			
a. Productive Salaries	.04	\$	2,831,205
b. Productive Hours			238,351.00
6. Physicians (Salaried)			
a. Productive Salaries	.07	\$	0
b. Productive Hours			0.00
7. Nonphysician Medical Practitioners			
a. Productive Salaries	.08	\$	337,649
b. Productive Hours			7,523.00
8. Environmental and Food Services			
a. Productive Salaries	.06	\$	1,795,763
b. Productive Hours			135,450.00
9. Clerical and Other Administrative			
a. Productive Salaries	.05	\$	4,484,950
b. Productive Hours			332,968.00
10. Other Salaries and Wages			
a. Productive Salaries	.09	\$	29,776
b. Productive Hours			2,108.00
11. All Nonproductive Salaries and Wages			
a. Nonproductive Salaries	Labor Distribution	\$	4,537,264
b. Nonproductive Hours	Report or Provider W/P		193,600.00
<b>B. SUBTOTAL DIRECT PAYROLL COST</b>			
1. Productive Salaries (lines A1a - A10a)		\$	<u>36,888,046</u> *
2. Productive Hours (lines A1b - A10b)			<u>1,550,440.00</u> *
<b>C. TOTAL PRODUCTIVE AND NONPRODUCTIVE SALARIES (A11a + B1)</b>		<b>\$</b>	<b><u>41,425,310</u></b> *
<b>D. TOTAL PRODUCTIVE AND NONPRODUCTIVE HOURS (A11b + B2)</b>			<b><u>1,744,040.00</u></b> *

\* Total do not reconciled to Rate Development Schedules Page 5 due to roundings.

Provider Name				Fiscal Period		NPI	Adjustments
EL CENTRO REGIONAL MEDICAL CENTER				JULY 1, 2008 THROUGH JUNE 30, 2009		1861409823	10
Report References				Explanation of Audit Adjustments	Reported	Increase (Decrease)	Adjusted
Adj. No.	Audit Report Page	RD Schedule Page Line					
<b><u>ADJUSTMENTS TO RATE DEVELOPMENT SCHEDULES</u></b>							
1	1	3	A	Medi-Cal Net Cost of Covered Services—Noncontract	\$ 13,026,575	\$ 2,049,251	\$ 15,075,826
	1	3	A	Medi-Cal Net Cost of Covered Services—Contract	\$	\$	\$
2	1	3	B	Deductibles and Coinsurance—Noncontract	\$ 210,828	\$ 83,701	\$ 294,529
	1	3	B	Deductibles and Coinsurance—Contract	\$	\$	\$
3	1	3	C 1	Medi-Cal Inpatient Days—Adults and Pediatrics—Noncontract	5,287.00	752.50	6,039.50
	1	3	C 1	Medi-Cal Inpatient Days—Adults and Pediatrics—Contract			
4	1	3	C 2	Medi-Cal Inpatient Days—ICU—Noncontract	910.00	189.75	1,099.75
	1	3	C 2	Medi-Cal Inpatient Days—ICU—Contract			
	1	3	C 3	Medi-Cal Inpatient Days—CCU—Noncontract			
	1	3	C 3	Medi-Cal Inpatient Days—CCU—Contract			
5	1	3	C 4	Medi-Cal Inpatient Days—Nursery—Noncontract	1,178.00	37.00	1,215.00
	1	3	C 4	Medi-Cal Inpatient Days—Nursery—Contract			
6	1	3	C 5	Medi-Cal Inpatient Days—NICU—Noncontract	284.00	129.50	413.50
	1	3	C 5	Medi-Cal Inpatient Days—NICU—Contract			
	1	3	C 6 a	Medi-Cal Inpatient Days—_____ Noncontract			
	1	3	C 6 a	Medi-Cal Inpatient Days—_____ Contract			
	1	3	C 6 b	Medi-Cal Inpatient Days—_____ Noncontract			
	1	3	C 6 b	Medi-Cal Inpatient Days—_____ Contract			

Provider Name				Fiscal Period		NPI	Adjustments
EL CENTRO REGIONAL MEDICAL CENTER				JULY 1, 2008 THROUGH JUNE 30, 2009		1861409823	10
Report References				Explanation of Audit Adjustments	Reported	Increase (Decrease)	Adjusted
Adj. No.	Audit Report Page	RD Schedule Page Line					
	1	3	D	Total Hospital Discharges			
7	1	3	E	Total Medi-Cal Discharges—Acute—Noncontract	1,653	186	1,839
	1	3	E	Total Medi-Cal Discharges—Acute—Contract			
8	1	3	F	Total Medi-Cal Inpatient Charges—Noncontract	\$ 49,753,733	\$ 9,843,358	\$ 59,597,091
	1	3	F	Total Medi-Cal Inpatient Charges—Contract	\$	\$	\$
	2	4	A 1	Depreciation Expense	\$	\$	\$
	2	4	A 2	Rent and Lease Expense	\$	\$	\$
	2	4	A 3	Interest Expense	\$	\$	\$
	2	4	A 4	Property Taxes and License Fees	\$	\$	\$
	2	4	A 5	Utility Expense	\$	\$	\$
	2	4	A 6	Malpractice Insurance Expense	\$	\$	\$
9	2	4	B	Gross Operating Expenses	\$ 90,182,430	\$ (3,029,452)	\$ 87,152,978
	2	4	C 1	Student and Physicians Compensation—Salaries and Wages	\$	\$	\$
	2	4	C 2	Student and Physicians Compensation—Professional Fees	\$	\$	\$
	2	4	D	Pharmacy Nonlabor Expense	\$	\$	\$

Provider Name				Fiscal Period		NPI	Adjustments
EL CENTRO REGIONAL MEDICAL CENTER				JULY 1, 2008 THROUGH JUNE 30, 2009		1861409823	10
Report References				Explanation of Audit Adjustments	Reported	Increase (Decrease)	Adjusted
Adj. No.	Audit Report Page	RD Schedule Page Line					
	2	4	E	Food Services Nonlabor Expense	\$	\$	\$
	2	4	F 1	Direct Operating—Salaries and Wages	\$	\$	\$
	2	4	F 2	Direct Operating—Employee Benefits	\$	\$	\$
	2	4	F 3	Direct Operating—Other Professional Fees	\$	\$	\$
	2	4	F 4	Direct Operating—Purchased Services	\$	\$	\$
	2	4	F 5	Direct Operating—Supplies	\$	\$	\$
10	2	4	F 6	Direct Operating—Other Direct Operating Expense	\$ 0	\$ 1,784,699	\$ 1,784,699
	3	5	A 1 a	Management and Supervision—Productive Salaries	\$	\$	\$
	3	5	A 1 b	Management and Supervision—Productive Hours			
	3	5	A 2 a	Technicians and Specialists—Productive Salaries	\$	\$	\$
	3	5	A 2 b	Technicians and Specialists—Productive Hours			
	3	5	A 3 a	Registered Nurses—Productive Salaries	\$	\$	\$
	3	5	A 3 b	Registered Nurses—Productive Hours			
	3	5	A 4 a	Licensed Vocational Nurses—Productive Salaries	\$	\$	\$
	3	5	A 4 b	Licensed Vocational Nurses—Productive Hours			
	3	5	A 5 a	Aides and Orderlies—Productive Salaries	\$	\$	\$
	3	5	A 5 b	Aides and Orderlies—Productive Hours			

Provider Name				Fiscal Period		NPI	Adjustments
EL CENTRO REGIONAL MEDICAL CENTER				JULY 1, 2008 THROUGH JUNE 30, 2009		1861409823	10
Report References				Explanation of Audit Adjustments	Reported	Increase (Decrease)	Adjusted
Adj. No.	Audit Report Page	RD Schedule Page Line					
3	5	A 6 a	Physicians (Salaried)—Productive Salaries	\$	\$	\$	
3	5	A 6 b	Physicians (Salaried)—Productive Hours				
3	5	A 7 a	Nonphysician Medical Practitioners—Productive Salaries	\$	\$	\$	
3	5	A 7 b	Nonphysician Medical Practitioners—Productive Hours				
3	5	A 8 a	Environmental and Food Services—Productive Salaries	\$	\$	\$	
3	5	A 8 b	Environmental and Food Services—Productive Hours				
3	5	A 9 a	Clerical and Other Administrative—Productive Salaries	\$	\$	\$	
3	5	A 9 b	Clerical and Other Administrative—Productive Hours				
3	5	A 10 a	Other Salaries and Wages—Productive Salaries	\$	\$	\$	
3	5	A 10 b	Other Salaries and Wages—Productive Hours				
3	5	A 11	Nonproductive Salaries and Wages	\$	\$	\$	
3	5	A 11	Nonproductive Hours				
3	5	B 1	Subtotal Productive Salaries	\$	\$	\$	
3	5	B 2	Subtotal Productive Hours				
3	5	C	Total Productive and Nonproductive Salaries	\$	\$	\$	
3	5	D	Total Productive and Nonproductive Hours				
<p>To adjust the Rate Development Schedules to agree with audit adjustments and/or provider records. CCR, Title 22, Section 51536</p>							