

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

**SAN ANTONIO COMMUNITY HOSPITAL
UPLAND, CALIFORNIA
PROVIDER NUMBER: ZZT 30099F
NPI: 1780681189**

**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: Bina Matani
Auditor: Teresa Zapata**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

September 28, 2010

Steven C. Moreau, President
San Antonio Community Hospital
999 San Bernardino Road
Upland, CA 91786

PROVIDER: SAN ANTONIO COMMUNITY HOSPITAL
PROVIDER NO. ZZT 30099F
NPI: 1780681189
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 field audit.

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.

Steven C. Moreau
Page 2

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

cc: Sharon Simmons
Director of Finance

RATE DEVELOPMENT WORKSHEETS

PROVIDER: SAN ANTONIO COMMUNITY HOSPITAL
PROVIDER NOS. ZZT 30099F / NPI 1780681189
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)	\$ 11,235,114	\$	\$ 11,235,114
B. Deductibles and Coinsurance (Third Party Liability) (Adj. 2)	\$ 1,209,596	\$	\$ 1,209,596
C. Medi-Cal Inpatient Days (Adjs. 3-7)			
1. Routine (Adults & Pediatrics)	3,728		3,728
2. ICU	1,125		1,125
3. CCU	353		353
4. Nursery	0		0
5. NICU	242		242
6. Other (Specify)			
a.			
b.			
D. Total Hospital Discharges (Adj. 8)	N/A	N/A	16,353
E. Total Medi-Cal Discharges (Adj. 9)	1,127		1,127
F. Total Medi-Cal Inpatient Charges (Adj. 10)	\$ 51,706,088	\$	\$ 51,706,088

RATE DEVELOPMENT WORKSHEETS

PROVIDER: SAN ANTONIO COMMUNITY HOSPITAL
PROVIDER NOS. ZZT 30099F / NPI 1780681189
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	\$	9,379,005
2. Rent and Lease Expense:	8820, and/or .75 and .76	\$	1,684,556
3. Interest Expense:	8860, 8870	\$	1,484,445
4. Property Taxes and License Fees:	8850 and/or .83	\$	402,527
5. Utility Expense:	.77, .78, .79, and .80	\$	3,744,625
6. Malpractice Insurance Expense:	8830 and/or .81	\$	7,958,768
 B. GROSS OPERATING EXPENSES	 Sch 10, line 101, col. 3	 \$	 231,533,438
C. STUDENT AND PHYSICIANS COMPENSATION			
1. Salaries and Wages (include benefits)	.07, 8210.09 - 8290.09	\$	
2. Professional Fees	.20	\$	2,630,417
D. PHARMACY NONLABOR EXPENSES	8390.37 and 8390.38	\$	6,245,073
E. FOOD SERVICES NONLABOR EXPENSES	8320, 8330 and 8340 and/or .42 and .43	\$	1,600,288
F. DIRECT OPERATING COSTS			
1. Salaries and Wages	.00 - .09, .91, .95	\$	93,690,944
2. Employee Benefits	.10 - .19, .92, .96	\$	44,217,800
3. Other Professional Fees	.21 - .29	\$	4,816,667
4. Purchased Services	.61 - .69	\$	12,423,336
5. Supplies	.31 - .36, .93, .97	\$	42,881,230
6. Other Direct Operating Expense	.85 - .90	\$	9,192,033

RATE DEVELOPMENT WORKSHEETS

PROVIDER: SAN ANTONIO COMMUNITY HOSPITAL
PROVIDER NOS. ZZT 30099F / NPI 1780681189
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	\$	11,253,742
b. Productive Hours			252,300.00
2. Technicians and Specialists			
a. Productive Salaries	.01	\$	21,870,656
b. Productive Hours			711,339.00
3. Registered Nurses			
a. Productive Salaries	.02	\$	38,543,594
b. Productive Hours			860,738.00
4. Licensed Vocational Nurses			
a. Productive Salaries	.03	\$	928,588
b. Productive Hours			39,992.00
5. Aides and Orderlies			
a. Productive Salaries	.04	\$	3,873,470
b. Productive Hours			246,279.00
6. Physicians (Salaried)			
a. Productive Salaries	.07	\$	
b. Productive Hours			
7. Nonphysician Medical Practitioners			
a. Productive Salaries	.08	\$	
b. Productive Hours			
8. Environmental and Food Services			
a. Productive Salaries	.06	\$	4,719,786
b. Productive Hours			306,866.00
9. Clerical and Other Administrative			
a. Productive Salaries	.05	\$	10,122,654
b. Productive Hours			589,688.00
10. Other Salaries and Wages			
a. Productive Salaries	.09	\$	
b. Productive Hours			
11. All Nonproductive Salaries and Wages			
a. Productive Salaries	Labor Distribution	\$	15,705,019
b. Productive Hours	Report or Provider W/P		516,278.00
B. SUBTOTALS DIRECT PAYROLL COSTS			
1. Productive Salaries (lines 1a - 10a)		\$	<u>91,312,490</u>
2. Productive Hours (lines 1b - 10b)			<u>3,007,202.00</u>
C. TOTAL PRODUCTIVE AND NONPRODUCTIVE SALARIES (11a + B1)		\$	<u>107,017,509</u>
D. TOTAL PRODUCTIVE AND NONPRODUCTIVE HOURS (11b + B2)			<u>3,523,480.00</u>

AUDIT ADJUSTMENTS

Provider: SAN ANTONIO COMMUNITY HOSPITAL		Provider No. ZZT 30099F	Fiscal Period: JANUARY 1, 2008 THROUGH DECEMBER 31, 2008		No. of Adjs: 21	
Adj. No.	Report Reference		Explanation of Audit Adjustments	Reported	Increase (Decrease)	Audited
	Form	Page Line				
			<u>ADJUSTMENTS TO RATE DEVELOPMENT WORKSHEETS</u>			
1	A&I-2	1 A	Medi-Cal Net Cost of Covered Services - Noncontract	\$ 10,189,911	\$ 1,045,203	\$ 11,235,114
2	A&I-2	1 B	Deductibles and Coinsurance - Noncontract	\$ 840,210	\$ 369,386	\$ 1,209,596
3	A&I-2	1 C-1	Medi-Cal Inpatient Days - Adults and Peds - Noncontract	2,703	1,025	3,728
4	A&I-2	1 C-2	Medi-Cal Inpatient Days - ICU - Noncontract	409	716	1,125
5	A&I-2	1 C-3	Medi-Cal Inpatient Days - CCU - Noncontract	288	65	353
6	A&I-2	1 C-4	Medi-Cal Inpatient Days - Nursery - Noncontract	133	(133)	0
7	A&I-2	1 C-5	Medi-Cal Inpatient Days - NICU - Noncontract	667	(425)	242
8	A&I-2	1 D	Total Hospital Discharges	0	16,353	16,353
9	A&I-2	1 E	Total Medi-Cal Discharges - Acute - Noncontract	873	254	1,127
10	A&I-2	1 F	Total Medi-Cal Inpatient Charges - Noncontract	\$ 41,869,071	\$ 9,837,017	\$ 51,706,088
11	A&I-2	2 A-2	Rent and Lease Expense	\$ 1,683,283	\$ 1,273	\$ 1,684,556
12	A&I-2	2 A-4	Property Taxes and License Fees	\$ 739,454	\$ (336,927)	\$ 402,527
13	A&I-2	2 A-5	Utility Expense	\$ 3,752,876	\$ (8,251)	\$ 3,744,625
14	A&I-2	2 B	Gross Operating Expenses	\$ 242,351,718	\$ (10,818,280)	\$ 231,533,438

AUDIT ADJUSTMENTS

Provider:		Provider No.	Fiscal Period:		No. of Adjs:	
SAN ANTONIO COMMUNITY HOSPITAL		ZZT 30099F	JANUARY 1, 2008 THROUGH DECEMBER 31, 2008		21	
Adj. No.	Report Reference		Explanation of Audit Adjustments	Reported	Increase (Decrease)	Audited
	Form	Page Line				
15	A&I-2	2 C-2	Professional Fees	\$ 4,165,279	\$ (1,534,862)	\$ 2,630,417
16	A&I-2	2 F-1	Direct Operating - Salaries and Wages	\$ 93,701,257	\$ (10,313)	\$ 93,690,944
17	A&I-2	2 F-2	Direct Operating - Employee Benefits	\$ 44,228,612	\$ (10,812)	\$ 44,217,800
18	A&I-2	2 F-3	Direct Operating - Other Professional Fees	\$ 4,931,516	\$ (114,849)	\$ 4,816,667
19	A&I-2	2 F-4	Direct Operating - Purchased Services	\$ 42,903,259	\$ (30,479,923)	\$ 12,423,336
20	A&I-2	2 F-5	Direct Operating - Supplies	\$ 9,243,142	\$ 33,638,088	\$ 42,881,230
21	A&I-2	2 F-6	Other Direct Operating Expense	\$ 0	\$ 9,192,033	\$ 9,192,033

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

**FINANCIAL AUDITS BRANCH
DETERMINATION OF MEDI-CAL DISCHARGES**

PROVIDER SAN ANTONIO COMMUNITY HOSPITAL	PROVIDER NO. 1780681189	FPE DECEMBER 31, 2008
---	-----------------------------------	---------------------------------

SOURCE: Paid Claims Detail Report (SU-0-140)

MONTH/YR	RUN PAGE NUMBER	TOTAL LINES	ADJUSTMENTS					OTHER	ADJUSTED TOTAL
			NURSERY	DB & CR ENTRIES	ZERO DAYS	30 & 31 CODES	"V" CODE		
01/08	1	23				1			22
01/08	2	27				1	2		24
01/08	3	27			1	3			23
01/08 - 02/08	4	27							27
02/08	5	27		4		2	2		19
02/08	6	27		2	1				24
02/08	7	27		4		3			20
02/08	8	27		2		2	2		21
02/08 - 03/08	9	27				1	2		24
03/08	10	27		2			4		21
03/08	11	27							27
03/08	12	27							27
03/08 - 04/08	13	27				1	4		22
04/08	14	27		2		5	2		18
04/08	15	27							27
04/08	16	27		2			2		23
04/08 - 05/08	17	27				3	6		18
05/08	18	27				2	2		23
05/08	19	27					2		25
05/08	20	27		2					25
05/08	21	27		4		1			22
06/08	22	27		5					22
06/08	23	27		3			4		20
06/08	24	27							27
06/08	25	27		5		1			21
06/08 - 07/08	26	27	1	3			2		21
07/08	27	27		2		2			23
07/08	28	27				1			26
07/08	29	27		2		1			24
07/08 - 08/08	30	27		4			2		21
08/08	31	27		4			4		19
08/08	32	27		2		1			24
08/08	33	27		2					25
08/08 - 09/08	34	27		4		4	2		17
09/08	35	27		1			2		24
09/08	36	27		4		1	4		18
09/08	37	27		8		2	4		13
09/08 - 10/08	38	27		8		4	2		13
10/08	39	27		7			4		16
10/08	40	27		4			2		21
10/08	41	27		6					21
10/08	42	27		4					23
TOTALS			1	102	2	42	62		921

