REPORT ON THE LIMITED AUDIT

COUNTY OF SAN MATEO
HUMAN SERVICES AGENCY
SAN MATEO, CALIFORNIA
PROVIDER NUMBER: 41-0104

TARGETED CASE MANAGEMENT PROGRAM
PROGRAM NAME: COMMUNITY

FISCAL PERIOD
JULY 1, 2003 THROUGH JUNE 30, 2004

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

DHCS

DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency

Department of Health Care Services

ARNOLD SCHWARZENEGGER
Governor

JUN 2 6 2009

Ms. Diana Chung
MAA/TCM Coordinator
County of San Mateo
Human Services Agency
225 37th Avenue
San Mateo, CA 94403-4324

PROVIDER NAME: COUNTY OF SAN MATEO
PROVIDER NUMBER: 41-0104
PROGRAM NAME: COMMUNITY
FISCAL PERIOD JULY 1, 2003 THROUGH JUNE 30, 2004

We have examined the provider's claims for reimbursement of Targeted Case Management (TCM) services for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and was limited to a review of the cost report, Targeted Case Management System Paid Claims Summary Report, and prior fiscal period's TCM program audit report, if applicable and available.

In our opinion, Schedule 1 of the attached report reflects balances due the State that were determined in accordance with the reimbursement principles of the TCM program and 42 Code of Federal Regulations, Section 433.51.

Amount Due State From Provider	Amount Due State From Federal Government	Total Amount Due State
$235,924.87	$198,018.85	$433,943.72

This audit report includes the:

1. Certified Public Expenditure (CPE) Review schedules

2. Audit Adjustments Schedule

Financial Audits Branch / Audits Section-Fresno
1782 East Bullard Avenue, Suite 101, Fresno, CA 93710-5856
Telephone : (559) 446-2458 / Fax : (559) 446-2477
Internet Address : www.dhcs.ca.gov

The report concludes that $235,924.87 is due the State from the provider. You will be receiving an invoice for that amount from the Department's Accounting Section.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

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—Fresno at (559) 446-2458.

Kathy Atkins for Michael Harrold

Michael Harrold, Chief
Audits Section—Fresno
Financial Audits Branch

Certified

cc: Elizabeth Touhey, Chief
Department of Health Care Services
Safety Net Financing Division
Administrative Claiming Local
and Schools Services Branch
P.O. Box 997436, MS 4603
Sacramento, CA 95899-7436

Mr. Brian Burdullis, Accountant
Division of Medicaid and Children's Health
Department of Health and Human Services
Centers for Medicare and Medicaid Services
801 I Street, Room 219
Sacramento, CA 95814

STATE OF CALIFORNIA

SCHEDULE 1

SUMMARY OF TARGETED CASE MANAGEMENT (TCM) REIMBURSEMENT
CERTIFIED PUBLIC EXPENDITURE (CPE) REVIEW

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

	AS AUDITED	AMOUNTS DUE
TCM REIMBURSEMENT RECONCILIATION		
1. Computed Maximum TCM Program Reimbursement (Sch 4)	$ 254,450.51	
2. TCM Program Payments To LGA (Sch 4)	$ 434,529.42	
3. TCM Program Overpayments (Line 1 - Line 2; If Line 1 > Line 2, then 0)	$ (180,078.91)	
4. CMS Deferred Invoices TCM Program Overpayments (Sch 4)	$ (179,626.47)	
5. CMS Paid Invoices TCM Program Overpayments (Sch 4)	$ (452.44)	
6. **Amount Due (State)** (Line 3)		$ (180,078.91)
CPE REVIEW OF CMS DEFERRED CLAIMS		
CPE Requirements Met - Qualified for Federal Reimbursement 7. Amount Due (State) (Sch 2)		$ (198,471.29)
CPE Requirements Not Met - **Not** Qualified for Federal Reimbursement 8. Amount Due (State) (Sch 2)		$ (55,845.96)
AMOUNTS DUE		
9. **Amount Due Provider / (State)** (Line 6 + Line 8)		$ **(235,924.87)**
10. **Amount Due Federal Government / (State)** (Line 7 - Line 5)		$ **(198,018.85)**

STATE OF CALIFORNIA

SCHEDULE 2

SUMMARY OF TCM INVOICES DEFERRED BY CMS
CERTIFIED PUBLIC EXPENDITURE (CPE) REVIEW

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

TCM SERVICE PROVIDER	From Schedule	Maximum Allowable Rate Per Encounter 1	Deferred Medi-Cal Encounters 2	Computed Maximum TCM Program Reimbursement 3	CPE Requirement Not Met 4	CPE Requirement Met 5
						(-C3 + -C4)
1. EDGEWOOD CENTER	3A	$ 491.62	772	$ 201,407.51	$ (38,770.27)	$ (162,637.24)
2. FAMILY SUPPORT CENTER	3B	$ 111.86	890	$ 52,909.74	$ (17,075.69)	$ (35,834.05)
3.						
4.						
5.						
6.						
7.						
8.						
9.						
SUBTOTAL (SUM OF LINES 1 - 9)			1,662	$ 254,317.25	$ (55,845.96)	$ (198,471.29)
					(To Sch 1)	(To Sch 1)

STATE OF CALIFORNIA

SCHEDULE 3A

TCM INVOICES DEFERRED BY CMS
CERTIFIED PUBLIC EXPENDITURE (CPE)

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

TCM Service Provider:
EDGEWOOD CENTER

	TCM Invoice No. 1	Claim Schedule # 2	Date Invoice Received by TCM Program 3	Maximum Allowable Rate Per Encounter 4	Deferred Medi-Cal Encounters 5	FMAP % 6	TCM Program Reimbursement % 7	Computed Maximum TCM Program Reimbursement 8	CPE Requirement Not Met 9	CPE Requirement Met 10
				(Sch 4, Line 5)				(C4*C5*C6*C7)	(Adj 3)	(-C9 + -C8)
1	4103/04-1J	6340917	07/26/2004	$ 491.62	235	54.35%	100%	$ 62,790.94	$ (34,735.41)	$ (28,055.53)
2	4103/04-2J	6340917	07/21/2004	$ 491.62	225	52.95%	100%	$ 58,570.38	$ 0.00	$ (58,570.38)
3	4103/04-2K	6341004	10/22/2004	$ 491.62	4	52.95%	50%	$ 520.63	$ (520.63)	$ 0.00
4	4103/04-3K	6340917	07/21/2004	$ 491.62	191	52.95%	100%	$ 49,719.74	$ 0.00	$ (49,719.74)
5	4103/04-3P	6341004	10/22/2004	$ 491.62	10	52.95%	75%	$ 1,952.35	$ (1,952.35)	$ 0.00
6	4103/04-4G	6340917	07/21/2004	$ 491.62	101	52.95%	100%	$ 26,291.59	$ 0.00	$ (26,291.59)
7	4103/04-4J	6341020	10/12/2004	$ 491.62	1	52.95%	100%	$ 260.32	$ (260.32)	$ 0.00
8	4103/04-4K	6341004	10/22/2004	$ 491.62	5	52.95%	100%	$ 1,301.56	$ (1,301.56)	$ 0.00
9										
10										
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15										
16										
17										
18										
19										
20										
	SUBTOTAL (SUM OF LINE 1-20)				772			$ 201,407.51	$ (38,770.27)	$ (162,637.24)
					(To Sch 2)			(To Sch 2)	(To Sch 2)	(To Sch 2)

STATE OF CALIFORNIA

SCHEDULE 3B

TCM INVOICES DEFERRED BY CMS
CERTIFIED PUBLIC EXPENDITURE (CPE)

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

TCM Service Provider:
FAMILY SUPPORT CENTER

	TCM Invoice No. 1	Claim Schedule # 2	Date Invoice Received by TCM Program 3	Maximum Allowable Rate Per Encounter 4	Deferred Medi-Cal Encounters 5	FMAP % 6	TCM Program Reimbursement % 7	Computed Maximum TCM Program Reimbursement 8	CPE Requirement Not Met 9	CPE Requirement Met 10
				(Sch 4, Line 5)				(C4*C5*C6*C7)	(Adj 4)	(-C9 + -C8)
1	4103/04-1J	6340917	07/26/2004	$ 111.86	153	54.35%	100%	$ 9,301.77	$ (9,301.77)	$ (0.00)
2	4103/04-2J	6340917	07/21/2004	$ 111.86	196	52.95%	100%	$ 11,609.05	$ 0.00	$ (11,609.05)
3	4103/04-3K	6340917	07/21/2004	$ 111.86	278	52.95%	100%	$ 16,465.89	$ 0.00	$ (16,465.89)
4	4103/04-3O	6341020	10/12/2004	$ 111.86	3	52.95%	75%	$ 133.27	$ (133.27)	$ 0.00
5	4103/04-4G	6340917	07/21/2004	$ 111.86	215	52.95%	100%	$ 12,734.42	$ (4,975.31)	$ (7,759.11)
6	4103/04-4J	6341020	10/12/2004	$ 111.86	45	52.95%	100%	$ 2,665.34	$ (2,665.34)	$ 0.00
7										
8										
9										
10										
12										
11										
13										
14										
15										
16										
17										
18										
19										
20										
	SUBTOTAL (SUM OF LINE 1-20)				890			$ 52,909.74	$ (17,075.69)	$ (35,834.05)
					(To Sch 2)			(To Sch 2)	(To Sch 2)	(To Sch 2)

STATE OF CALIFORNIA

SCHEDULE 4

SUMMARY OF TCM RATES AND INVOICE RECONCILIATION
CERTIFIED PUBLIC EXPENDITURE (CPE)

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

Calculation of Maximum Allowable Rate	AS AUDITED	AS AUDITED
1. Actual Cost Per TCM Encounter per LGA Cost Report		N/A
2. LGA Contractual Rate Per TCM Encounter		N/A
2a. Edgewood Center	$ 537.56	
2b. Family Support Center	$ 111.86	
3. Greater of Line 1 or 2		N/A
3a. Edgewood Center	$ 537.56	
3b. Family Support Center	$ 111.86	
4. Approved Rate Per TCM Encounter		$ 491.62
5. Maximum Allowable Rate per TCM Encounter (Lesser of Line 3 or Line 4)		N/A
5a. Edgewood Center	$ 491.62	
5b. Family Support Center	$ 111.86	
	(To Sch 3 and 5)	(To Sch 3 and 5)

Summary of TCM Invoice Reconciliation

	Medi-Cal Encounters 1	Computed Maximum TCM Program Reimbursement 2	TCM Program Payments to LGA 3	TCM Program Overpayments 4
	(From Sch 5A/5B)	(From Sch 5A/5B)	(From Sch 5A/5B)	(C2 - C3; If C2 > C3, then 0)
CMS Deferred Invoices				
6. LGA - Global	0	$ 0.00	$ 0.00	$ 0.00
7. Edgewood Center	772	$ 201,407.50	$ 201,407.50	$ 0.00
8. Family Support Center	890	$ 52,909.75	$ 232,536.22	$ (179,626.47)
SUBTOTAL (SUM OF LINE 6-8)	1,662	$ 254,317.25	$ 433,943.72	$ (179,626.47)
				(To Sch 1)
CMS Paid Invoices				
9. LGA - Global	0	$ 0.00	$ 0.00	$ 0.00
10. Edgewood Center	0	$ 0.00	$ 0.00	$ 0.00
11. Family Support Center	4	$ 133.26	$ 585.70	$ (452.44)
SUBTOTAL (SUM OF LINE 9-11)	4	$ 133.26	$ 585.70	$ (452.44)
				(To Sch 1)
TOTAL (SUM OF LINE 6-11)	1,666	$ 254,450.51	$ 434,529.42	$ (180,078.91)
		(To Sch 1)	(To Sch 1)	

12. TCM Underpayments - Informational Only $ 18,820.76

STATE OF CALIFORNIA

SCHEDULE 5A

TCM INVOICE RECONCILIATION
CERTIFIED PUBLIC EXPENDITURE (CPE)

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

TCM Service Provider:
EDGEWOOD CENTER

	TCM Invoice No. 1	Claim Schedule # 2	Date Invoice Received by TCM Program 3	Maximum Allowable Rate Per Encounter 4	Medi-Cal Encounters 5	FMAP % 6	TCM Program Reimbursement % 7	Computed Maximum TCM Program Reimbursement 8	TCM Program Payments To LGA 9	TCM Program Overpayments 10
CMS Deferred Invoices				(Sch 4, Line 5)				(C4*C5*C6*C7)		(Adj)
1	4103/04-1J	6340917	07/26/2004	$ 491.62	235	54.35%	100%	$ 62,790.94	$ 62,790.94	$ 0.00
2	4103/04-2J	6340917	07/21/2004	$ 491.62	225	52.95%	100%	$ 58,570.38	$ 58,570.38	$ 0.00
3	4103/04-2K	6341004	10/22/2004	$ 491.62	4	52.95%	50%	$ 520.63	$ 520.63	$ 0.00
4	4103/04-3K	6340917	07/21/2004	$ 491.62	191	52.95%	100%	$ 49,719.74	$ 49,719.74	$ 0.00
5	4103/04-3P	6341004	10/22/2004	$ 491.62	10	52.95%	75%	$ 1,952.35	$ 1,952.35	$ 0.00
6	4103/04-4G	6340917	07/21/2004	$ 491.62	101	52.95%	100%	$ 26,291.59	$ 26,291.59	$ 0.00
7	4103/04-4J	6341020	10/12/2004	$ 491.62	1	52.95%	100%	$ 260.31	$ 260.31	$ 0.00
8	4103/04-4K	6341004	10/22/2004	$ 491.62	5	52.95%	100%	$ 1,301.56	$ 1,301.56	$ 0.00
9										
10										
12										
11										
13										
14										
15										
SUBTOTAL (SUM OF LINE 1-15)					772 (To Sch 4)			$ 201,407.50 (To Sch 4)	$ 201,407.50 (To Sch 4)	$ 0.00
CMS Paid Invoices										(Adj)
16										
17										
18										
SUBTOTAL (SUM OF LINE 16-18)					0 (To Sch 4)			$ 0.00 (To Sch 4)	$ 0.00 (To Sch 4)	$ 0.00
TOTAL (SUM OF LINE 1-18)					772 (To Sch 4)			$ 201,407.50 (To Sch 4)	$ 201,407.50 (To Sch 4)	$ 0.00

STATE OF CALIFORNIA

SCHEDULE 5B

TCM INVOICE RECONCILIATION
CERTIFIED PUBLIC EXPENDITURE (CPE)

Provider:
COUNTY OF SAN MATEO

Fiscal Period Ended:
JUNE 30, 2004

Program:
COMMUNITY

TCM Service Provider:
FAMILY SUPPORT CENTER

	TCM Invoice No. 1	Claim Schedule # 2	Date Invoice Received by TCM Program 3	Maximum Allowable Rate Per Encounter 4	Medi-Cal Encounters 5	FMAP % 6	TCM Program Reimbursement % 7	Computed Maximum TCM Program Reimbursement 8	TCM Program Payments To LGA 9	TCM Program Overpayments 10
CMS Deferred Invoices				(Sch 4, Line 5)				(C4*C5*C6*C7)		(Adj 1)
1	4103/04-1J	6340917	07/26/2004	$ 111.86	153	54.35%	100%	$ 9,301.77	$ 40,880.91	$ (31,579.14)
2	4103/04-2J	6340917	07/21/2004	$ 111.86	196	52.95%	100%	$ 11,609.05	$ 51,021.56	$ (39,412.51)
3	4103/04-3K	6340917	07/21/2004	$ 111.86	278	52.95%	100%	$ 16,465.90	$ 72,366.77	$ (55,900.87)
4	4103/04-3O	6341020	10/12/2004	$ 111.86	3	52.95%	75%	$ 133.27	$ 585.76	$ (452.49)
5	4103/04-4G	6340917	07/21/2004	$ 111.86	215	52.95%	100%	$ 12,734.42	$ 55,967.09	$ (43,232.67)
6	4103/04-4J	6341020	10/12/2004	$ 111.86	45	52.95%	100%	$ 2,665.34	$ 11,714.13	$ (9,048.79)
7										
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12										
11										
13										
14										
15										
SUBTOTAL (SUM OF LINE 1-15)					890			$ 52,909.75	$ 232,536.22	$ (179,626.47)
					(To Sch 4)			(To Sch 4)	(To Sch 4)	
CMS Paid Invoices										(Adj 2)
16	4103/04-3Q	6342337	01/12/2005	$ 111.86	1	52.95%	50%	$ 29.61	$ 130.16	$ (100.55)
17	4103/04-3R	6342337	01/12/2005	$ 111.86	1	52.95%	75%	$ 44.42	$ 195.23	$ (150.81)
18	4103/04-3V	6342337	01/12/2005	$ 111.86	2	52.95%	50%	$ 59.23	$ 260.31	$ (201.08)
SUBTOTAL (SUM OF LINE 16-18)					4			$ 133.26	$ 585.70	$ (452.44)
					(To Sch 4)			(To Sch 4)	(To Sch 4)	
TOTAL (SUM OF LINE 1-18)					894			$ 53,043.01	$ 233,121.92	$ (180,078.91)
					(To Sch 4)			(To Sch 4)	(To Sch 4)	

Provider Name	Fiscal Period	Program	Adjustments
COUNTY OF SAN MATEO	JULY 1, 2003 THROUGH JUNE 30, 2004	TCM - COMMUNITY	4

Report References									
	AUDIT REPORT			COST REPORT					
Adj. No.	Sch	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENTS TO OTHER MATTERS			
						Amount Due State	$0.00		
1	5B	1-6	10	Not Reported		To recover overpayments for CMS deferred invoices that exceeded the cost of providing Targeted Case Management services to Medi-Cal recipients by Family Support Center. Social Security Act, Title XIX, Section 1903(a) 45 CFR, Section 95 42 CFR, Sections 413.20, 413.24, 433.10 and 433.51 CMS Pub. 15-1, Sections 2300 and 2304 CMS Pub. 45, Section 2560.4.G.a (1) Welfare and Institutions (W&I) Code, 14132.44 CCR, Title 22, Sections 51185, 51271, 51272, 51351, 51351.1, 51365, 51535.7, and 51492 OMB Circular A-87 TCM Program Policy and Procedures Letter 08-006 issued 12/16/08 Medi-Cal Targeted Case Management Provider Participation Agreement: San Mateo County; Provider Agreement # 41-0104		$179,626.47	
2	5B	16-18	10			To recover overpayments for CMS paid invoices that exceeded the cost of providing Targeted Case Management services to Medi-Cal recipients by Family Support Center. Social Security Act, Title XIX, Section 1903(a) 45 CFR, Section 95 42 CFR, Sections 413.20, 413.24, 433.10 and 433.51 CMS Pub. 15-1, Sections 2300 and 2304 CMS Pub. 45, Section 2560.4.G.a (1) Welfare and Institutions (W&I) Code, 14132.44 CCR, Title 22, Sections 51185, 51271, 51272, 51351, 51351.1, 51365, 51535.7, and 51492 OMB Circular A-87 TCM Program Policy and Procedures Letter 08-006 issued 12/16/08 Medi-Cal Targeted Case Management Provider Participation Agreement: San Mateo County; Provider Agreement # 41-0104		452.44 $180,078.91	$180,078.91 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Program	Adjustments
COUNTY OF SAN MATEO	JULY 1, 2003 THROUGH JUNE 30, 2004	TCM - COMMUNITY	4

Report References									
	AUDIT REPORT			COST REPORT					
Adj. No.	Sch	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENTS TO OTHER MATTERS			
						Amount Due State *	$180,078.91		
3	3A	1,3,5,7,8	9	Not Reported		To recover program reimbursement for Targeted Case Management services provided by the Edgewood Center that did not meet the Certified Public Expenditure requirements. Social Security Act, Title XIX, Section 1903(a) 45 CFR, Section 95 42 CFR, Sections 413.20, 413.24, 433.10 and 433.51 CMS Pub. 15-1, Sections 2300 and 2304 CMS Pub. 45, Section 2560.4.G.a (1) Welfare and Institutions (W&I) Code, 14132.44 CCR, Title 22, Sections 51185, 51271, 51272, 51351, 51351.1, 51365, 51535.7, and 51492 OMB Circular A-87 TCM Program Policy and Procedures Letter 08-006 issued 12/16/08 Medi-Cal Targeted Case Management Provider Participation Agreement: San Mateo County; Provider Agreement # 41-0104		$38,770.27	
4	3B	1,4,5,6	9			To recover program reimbursement for Targeted Case Management services provided by the Family Support Center that did not meet the Certified Public Expenditure requirements. Social Security Act, Title XIX, Section 1903(a) 45 CFR, Section 95 42 CFR, Sections 413.20, 413.24, 433.10 and 433.51 CMS Pub. 15-1, Sections 2300 and 2304 CMS Pub. 45, Section 2560.4.G.a (1) Welfare and Institutions (W&I) Code, 14132.44 CCR, Title 22, Sections 51185, 51271, 51272, 51351, 51351.1, 51365, 51535.7, and 51492 OMB Circular A-87 TCM Program Policy and Procedures Letter 08-006 issued 12/16/08 Medi-Cal Targeted Case Management Provider Participation Agreement: San Mateo County; Provider Agreement # 41-0104		17,075.69 $55,845.96	$235,924.87

*Balance carried forward from prior/to subsequent adjustments