



Certification of Expenditures
of
Newborn Screening Program

For the year ended June 30, 2012

R-1213DOH-007

OFFICE OF INSPECTOR GENERAL

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FLORIDA DEPARTMENT OF HEALTH
REVENUES AND EXPENDITURES
OF THE
NEWBORN SCREENING PROGRAM
Fiscal Year ended June 30, 2012

CERTIFIED REVENUES AND EXPENDITURES

Revenues and other credits

Hospital Fees	\$	8,087,563
Third Party Reimbursement		
Medicaid		6,213,905
Other Third Party		2,439,557
Refunds		152
Other		4,967
Total Revenues and other credits		16,746,144

Expenditures

Administrative Trust Fund - 10-2-021042

Expenses		85,376
		85,376

Planning & Evaluations Trust Fund - 20-2-531003

Salaries		1,639,284
Expenses		5,589,334
Operating Capital Outlay		3,255
Contracted Services		1,662,527
Human Resource Transfer to Department of Management Services		7,342
Service Charge to General Revenue		253,038
Transfers to Agency for Health Care Administration (State Medicaid Match)		4,842,726
		13,997,504

Donations Trust Fund - 20-2-168001

Salaries		197,234
Expenses		24,253
Grants & Aid - CMS Network		503,015
Contracted Services		94,353
Human Resource Transfer to Department of Management Services		876
		819,731

Federal Grants Trust Fund - 20-2-261009

Expenses		228,176
Human Resource Transfer to Department of Management Services		3,188
		231,364

Total Expenditures - CERTIFIED		15,133,975
Excess of Revenues Over (Under) Expenditures - CERTIFIED		1,612,168

**EXPENDITURES CHARGED TO, BUT NOT CERTIFIED AS DIRECT
EXPENDITURES OF THE NEWBORN SCREENING PROGRAM**

(Please read Note 4)

Expenditures

Contracted Services		566,017
Excess Of Revenues Over (Under) Expenditures	\$	1,046,151

Amounts for revenues and expenditures were provided by the Division of Administration.

FLORIDA DEPARTMENT OF HEALTH
REVENUES AND EXPENDITURES
OF THE
NEWBORN SCREENING PROGRAM
Fiscal Year ended June 30, 2012

NOTES

1. Certification by Office of Inspector General

Pursuant to Section 383.14(3)(g), *Florida Statutes*, the Office of Inspector General shall calculate the annual direct costs of the uniform testing and reporting procedures of the Newborn Screening Program (Program), including applicable administrative costs (reasonably and directly associated with the Program), and certify that such costs are related. Our procedures included analyzing amounts provided to us by Department of Health's Division of Administration. We reviewed selected items on a judgmental basis to determine whether transactions charged to the Program reasonably reflect the actual costs of the Program (See Note No. 4).

2. Historical Data

Revenues and Expenditures – 6 years

	<u>June 30, 2007</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>
Revenues	\$8,591,294 ¹	\$9,915,267 ¹	\$10,740,601 ¹	\$13,387,330 ¹	\$12,256,454 ¹	\$11,903,417 ¹
Certified Expenditures	\$7,796,810 ²	\$9,703,285 ²	\$9,699,768 ²	\$9,266,748 ²	\$10,145,676 ²	\$10,291,249 ²
Excess of Revenues Over (Under) Certified Expenditures	\$794,484	\$211,982	\$1,040,833	\$4,120,582	\$2,110,778	\$1,612,168

The \$498,610 decrease in the Excess of Revenues Over (Under) Certified Expenditures between fiscal years ended June 30, 2011 and 2012 was due to a \$353,037 decrease in revenues and a \$145,573 increase in certified expenditures.

Cost per Screening Ratio

	<u>June 30, 2007</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>
Total Certified Expenditures	\$7,796,810	\$9,703,285	\$9,699,768	\$9,266,748	\$10,145,676	\$10,291,249
Total Screenings	324,150 ³	288,790 ⁴	267,943 ⁴	265,945 ⁴	264,514 ⁴	260,235 ⁴
Cost per Screening ⁵	\$24.05	\$33.59	\$36.20	\$34.84	\$38.35	\$39.54

¹ Total Revenues less amount transferred to AHCA for State Medicaid Match.

² Total Certified Expenditures less amount transferred to AHCA for State Medicaid Match.

³ Total Screenings are for the calendar year ended 2007.

⁴ Total Screenings are for the respective fiscal year.

⁵ Cost per Screening is calculated using Total Certified Expenditures ÷ Screenings.

3. Medicaid Match

According to 42 CFR 433.50(a)(1), Medicaid requires states to share in the cost of medical assistance expenditures. The formula to determine the percentage that states are required to match is outlined in 42 CFR 433.10. Florida's match requirement percentage was 44.55% for July through September 2011 and 43.96% for October 2011 through June 2012.

4. Expenditures Not Certified by the Office of Inspector General

Section 383.14(1)(b), *Florida Statutes*, stipulates tests and screening must be performed by the State Public Health Laboratory.

The following contracts were for referrals or other services not related to the direct cost of testing, where at least a portion of expenditures were charged to the Newborn Screening Program. As these expenditures were not direct costs associated with testing and reporting procedures, we did not certify \$566,017 in expenditures related to these contracts:

Contract COQNN	Tenet St. Mary's, Inc.	\$27,700
Contract COQNO	Nemours Children's Clinic – Pensacola	27,700
Contract COQNP	Nemours Children's Clinic – Orlando	34,625
Contract COQNQ	Nemours Children's Clinic - Jacksonville	27,700
Contract COQNR	Variety Children's Hospital	27,700
Contract COQNS	South Broward Hospital District	20,775 ⁶
Contract COQNT	All Children's Hospital, Inc.	27,700
Contract COQOJ	Lee Memorial Health System	6,925
Contract COQSR	University of Florida	140,300
Contract COQSV	University of Miami	76,081
Contract COQSW	University of South Florida	134,961
Contract COQTI	Arnold Palmer Hospital for Children	13,850
Total Expenditures Not Certified		<u>\$566,017</u>

⁶ Amount includes a credit of \$6,925.