



Rick Scott
Governor

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State Surgeon General

Certification of Expenditures
of
Newborn Screening Program

For the year ended June 30, 2011

R-1112DOH-015

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, 2011

CERTIFIED REVENUES AND EXPENDITURES

Revenues and other credits	
Hospital Fees	\$ 3,299,444
Third Party Reimbursement	
Medicaid	9,649,579
Medicare Part B	2,194
Other Third Party	2,453,410
Refunds	59,544
Other	7,999
	<u>15,472,170</u>
Total Revenues and other credits	
Expenditures	
<i>Planning & Evaluations Trust Fund - 20-2-531003</i>	
Salaries	1,657,113
Expenses	5,142,133
Contracted Services	2,011,442
Human Resource Transfer to Department of Management Services	11,925
Refund State Revenues	565
Service Charge to General Revenue	270,511
Transfers to Agency for Health Care Administration (State Medicaid Match)	3,215,716
	<u>12,309,406</u>
<i>Donations Trust Fund - 20-2-168001</i>	
Salaries	144,465
Expenses	19,814
Grants & Aid - CMS Network	101,875
Human Resource Transfer to Department of Management Services	828
	<u>266,982</u>
<i>Federal Grants Trust Fund - 20-2-261009</i>	
Expenses	784,978
Human Resource Transfer to Department of Management Services	26
	<u>785,004</u>
Total Expenditures - CERTIFIED	
	<u>13,361,392</u>
Excess of Revenues Over (Under) Expenditures - CERTIFIED	
	<u><u>2,110,778</u></u>

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

(Please read Note 4)

Expenditures	
Contracted Services	692,091
Excess Of Revenues Over (Under) Expenditures	
	<u><u>\$ 1,418,686</u></u>

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, 2011

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, 2006</u>	<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>
Revenues	\$5,646,334	\$8,591,294 ¹	\$9,915,267 ¹	\$10,740,601 ¹	\$13,387,330 ¹	\$12,256,454 ¹
Certified Expenditures	\$7,082,686	\$7,796,810 ²	\$9,703,285 ²	\$9,699,768 ²	\$9,266,748 ²	\$10,145,676 ²
Excess of Revenues Over (Under) Certified Expenditures	<u>(\$1,436,352)</u>	<u>\$794,484</u>	<u>\$211,982</u>	<u>\$1,040,833</u>	<u>\$4,120,582</u>	<u>\$2,110,778</u>

The \$2,009,804 decrease in the Excess of Revenues Over (Under) Certified Expenditures between fiscal years ended June 30, 2010 and 2011 was due to a \$1,130,876 decrease in revenues and an \$878,928 increase in certified expenditures.

Cost per Screening Ratio

	<u>June 30, 2006</u>	<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>
Total Certified Expenditures	\$7,082,686	\$7,796,810	\$9,703,285	\$9,699,768	\$9,266,748	\$10,145,676
Total Screenings	314,401 ³	324,150 ³	288,790 ⁴	267,943 ⁴	265,945 ⁴	264,514 ⁴
Cost per Screening ⁵	\$22.54	\$24.05	\$33.59	\$36.20	\$34.84	\$38.35

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 years ended 2006 and 2007, respectively.

⁴ Total Screenings are for the respective fiscal year.

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

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. The State of Florida's match requirement percentage was subject to quarterly adjustments as part of the American Recovery and Reinvestment Act (ARRA) of 2009 providing additional Medicaid funding based on a temporary increase in the federal portion. The applicable rates are found below:

July – September 2010	October – December 2010	January – March 2011	April – June 2011
32.36%	32.36%	35.19%	37.07%

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 \$692,091 in expenditures related to these contracts:

Contract COQNK	University of South Florida	\$23,083
Contract COQNL	University of Miami	20,775
Contract COQNM	University of Florida	13,850
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	27,700
Contract COQNQ	Nemours Children's Clinic - Jacksonville	27,700
Contract COQNR	Variety Children's Hospital	27,700
Contract COQNS	South Broward Hospital District	27,700
Contract COQNT	All Children's Hospital, Inc.	27,700
Contract COQOJ	Lee Memorial Health System	27,700
Contract COQOY	University of Miami	31,250
Contract COQQE	University of South Florida	105,061
Contract COQQV	University of Florida	109,500
Contract COQQX	University of Miami	109,500
Contract COQSW	University of South Florida	57,472
Total Expenditures Not Certified		\$692,091