



Certification of Expenditures  
of  
Newborn Screening Program

For the year ended June 30, 2015

R-1516DOH-002

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**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, 2015

**CERTIFIED REVENUES AND EXPENDITURES**

**Revenues and other credits**

Hospital Fees	\$ 3,157,140
Third Party Reimbursement:	
Medicaid	8,847,074
Other Third Party	1,375,439
Refunds	19,655
Other	5,055
<b>Total Revenues and other credits</b>	<b>13,404,363</b>

**Expenditures**

*Planning & Evaluations Trust Fund - 20-2-531003*

Salaries	1,423,649
Expenses	7,367,228
Operating Capital Outlay	3,235
Contracted Services	2,068,454
Human Resource Transfer to Department of Management Services	8,946
Lease/Purchase	3,663
Service Charge to General Revenue	262,939
Transfers to Agency for Health Care Administration (AHCA) (State Medicaid Match) (Please read Note 3)	1,944,190
	<b>13,082,304</b>

*Donations Trust Fund - 20-2-168001*

Salaries	697,663
Expenses	10,216
Grants & Aid - CMS Network	288,311
Contracted Services	7,266
Human Resource Transfer to Department of Management Services	3,706
	<b>1,007,162</b>

**Total Expenditures - CERTIFIED** **14,089,466**

**Excess of Revenues Over (Under) Expenditures - CERTIFIED** **(685,103)**

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

(Please read Note 4)

**Expenditures**

Grants & Aid - CMS Network	479,031
Contracted Services	440,961
	<b>920,000</b>

**Excess Of Revenues Over (Under) Expenditures** **\$ (1,605,095)**

Amounts for revenues and expenditures were provided by the Office of Budget & Revenue Management

FLORIDA DEPARTMENT OF HEALTH  
REVENUES AND EXPENDITURES  
OF THE  
NEWBORN SCREENING PROGRAM  
Fiscal Year ended June 30, 2015

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 Office of Budget & Revenue Management. 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, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>
Revenues <sup>1</sup>	\$13,387,330	\$12,256,454	\$11,903,417	\$12,741,090	\$13,204,551	\$11,460,173
Certified Expenditures <sup>2</sup>	\$9,266,748	\$10,145,676	\$10,291,249	\$11,480,004	\$12,541,173	\$12,145,276
Excess of Revenues Over (Under) Certified Expenditures	\$4,120,582	\$2,110,778	\$1,612,168	\$1,261,086	\$663,378	(\$685,103)

The \$1,348,481 decrease in the Excess of Revenues Over (Under) Certified Expenditures between fiscal years ended June 30, 2014 and 2015 was due to a \$1,744,378 decrease in revenues and a \$395,897 decrease in certified expenditures.

Cost per Screening Ratio

	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>
Total Certified Expenditures	\$9,266,748	\$10,145,676	\$10,291,249	\$11,480,004	\$12,541,173	\$12,145,276
Total Screenings	265,945	264,514	260,235	257,078	270,930	275,458
Cost per Screening <sup>3</sup>	\$34.84	\$38.35	\$39.54	\$44.65	\$46.29	\$44.09

<sup>1</sup>Total Revenues less amount transferred to AHCA for State Medicaid Match.

<sup>2</sup>Total Certified Expenditures less amount transferred to AHCA for State Medicaid Match.

<sup>3</sup>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 41.21% for July through September 2014 and 40.28% for October 2014 through June 2015.

Amounts previously billed by the Department to Medicaid for reimbursement for Newborn Screening ended January 31, 2015. AHCA advised the Department that effective February 1, 2015, the respective Medicaid Health Management Organization (HMO) should be billed rather than Medicaid. There has been no final determination by the Department as to whether the difference of \$1,971,751 is still owed to AHCA.

State Medicaid Match included in Revenues	\$3,600,354
Transfers to AHCA (State Medicaid Match)	( 1,944,190)
Amount transferred to AHCA for prior fiscal year	315,587
<b>Difference</b>	<b><u>\$1,971,751</u></b>

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 \$919,992 in expenditures related to these contracts:

Contract COQSR	University of Florida	\$336,000
Contract COQSV	University of Miami	203,627
Contract COQSW	University of South Florida	132,140
Contract COQTI	Arnold Palmer Hospital for Children	34,625
Contract COQUJ	Lee Memorial Health System	27,700
Contract COQUO	All Children's Hospital, Inc.	27,700
Contract COQUP	Variety Children's Hospital	25,700
Contract COQUQ	Nemours Children's Clinic - Orlando	25,700
Contract COQUR	Memorial Health Care System	27,700
Contract COQUS	Nemours Children's Clinic - Pensacola	25,700
Contract COQUT	Nemours Children's Clinic - Jacksonville	25,700
Contract COQUU	Tenet St. Mary's Inc.	27,700
<b>Total Expenditures Not Certified</b>		<b><u>\$919,992</u></b>