

Charlie Crist
Governor



Ana M. Viamonte Ros, M.D., M.P.H.
State Surgeon General

Certification of Expenditures
of
Newborn Screening Program

For the year ended June 30, 2008

AR-09-001

OFFICE OF THE INSPECTOR GENERAL

FLORIDA DEPARTMENT OF HEALTH
REVENUES AND EXPENDITURES
OF THE
NEWBORN SCREENING PROGRAM
Fiscal Year ended June 30, 2008

CERTIFIED REVENUES AND EXPENDITURES

Revenues

Hospital Fees	\$	3,553,658
3rd Party Reimbursement		
Medicaid		9,092,210
Medicare Part B		27,949
Other 3rd Party		978,878
Refunds		1,344
Total Revenues and other credits		13,654,039

Expenditures

Planning & Evaluations Trust Fund - 20-2-531003

Salaries		1,331,272
Expenses		4,942,342
OPS		8,937
Other Capital Outlay		72,719
Contracted Services		2,213,364
HR Transfer to DMS		11,022
Service Charge to GR		246,922
Transfers to AHCA (State Medicaid Match)		3,738,773
		12,565,351

Donations Trust Fund - 20-2-168001

Salaries		143,436
G/A - CMS Network		126,007
HR Transfer to DMS		852
		270,295

Federal Grants Trust Fund - 20-2-261009

Salaries		272,803
Expenses		330,000
HR Transfer to DMS		3,608
		606,411

Total Expenditures - CERTIFIED **13,442,057**

Excess of Revenues Over (Under) Expenditures - CERTIFIED **211,982**

**EXPENDITURES CHARGED TO, BUT NOT CERTIFIED AS DIRECT
EXPENDITURES OF THE NEWBORN SCREENING PROGRAM (Please read
Note 4)**

Expenditures

Contracted Services		527,081
Excess Of Revenues Over (Under) Expenditures	\$	(315,099)

Amounts were provided by the Division of Administration

FLORIDA DEPARTMENT OF HEALTH
REVENUES AND EXPENDITURES
OF THE
NEWBORN SCREENING PROGRAM
Fiscal Year ended June 30, 2008

NOTES

1. Certification by Office of the Inspector General

Pursuant to Florida law¹, the Office of the 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, 2003</u>	<u>June 30, 2004</u>	<u>June 30, 2005</u>	<u>June 30, 2006</u>	<u>June 30, 2007</u>	<u>June 30, 2008</u>
Revenue	\$3,552,200	\$3,372,384	\$4,986,504 ²	\$5,646,334	\$8,591,294 ³	\$9,915,267 ³
Expenditures	\$4,119,363	\$4,245,043	\$4,543,460	\$7,082,686	\$7,796,810 ⁴	\$9,703,285 ⁴
Excess of Revenues Over (Under) Expenditures	(\$567,163)	(\$872,659)	\$443,044	(\$1,436,352)	\$794,484	\$211,982

The \$582,502 decrease in the Excess of Revenues (Under) Expenditures between fiscal years ended June 30, 2007 and 2008 was due to a \$1,323,973 increase in revenue and a \$1,906,475 increase in expenditures.

Cost per Screening Ratio

	<u>June 30, 2006</u>	<u>June 30, 2007</u>	<u>June 30, 2008</u>
Total Expenditures	\$7,082,686	\$7,796,810	9,703,285
Total Screenings ⁵	314,401 ⁶	324,150 ⁶	288,790 ⁷
Total Cost per Screening	\$22.54	\$24.05	\$33.59

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 states are required to match is outlined in 42 CFR 433.10. Florida's match requirement percentage was 41.24% for July through September 2007 and 43.17% for October 2007 through June 2008.

¹ Section 383.14(3)(g), *Florida Statutes*

² The increase in revenue was due to revisions made to Florida law effective July 1, 2004.

³ Total Revenues less amount transferred to AHCA for State Medicaid Match.

⁴ Total Expenditures less amount transferred to AHCA for State Medicaid Match.

⁵ Does not include Confirmatory Testing.

⁶ Total Screenings are for the calendar years ended 2006 and 2007, respectively.

⁷ Total Screenings are for fiscal year ended June 30, 2008.

4. Expenditures Not Certified by the Office of the Inspector General

Florida law⁸ 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 \$527,081 in expenditures related to these contracts:

Contract COQDG	University of Florida	\$87,600
Contract COQDH	University of Miami	\$57,387
Contract COQDI	University of South Florida	\$50,800
Contract COQEO	University of Florida	\$75,000
Contract COQEQ	University of South Florida	\$76,009
Contract COQEY	University of Miami	\$25,000
Contract COQNK	University of South Florida	\$16,183
Contract COQNL	University of Miami	\$15,928
Contract COQNM	University of Florida	\$15,927
Contract COQNN	Tenet St. Mary's, Inc.	\$11,065
Contract COQNO	Nemours Children's Clinic – Pensacola	\$16,234
Contract COQNP	Nemours Children's Clinic – Orlando	\$16,234
Contract COQNQ	Nemours Children's Clinic - Jacksonville	\$16,234
Contract COQNR	Variety Children's Hospital	\$16,087
Contract COQNS	South Broward Hospital District	\$15,235
Contract COQNT	All Children's Hospital, Inc.	\$16,158
Total Expenditures Not Certified		\$527,081

⁸ Section 383.14(1)(b), *Florida Statutes*

This report is respectfully submitted by:

[Signature on File]

December 23, 2008

Mark H. Boehmer, C.P.A.
Lead Auditor

Date

[Signature on File]

December 23, 2008

Lynn H. Riley, C.P.A.
Director of Auditing

Date

[Signature on File]

December 23, 2008

James D. Boyd, C.P.A., M.B.A.
Inspector General

Date