

TOBACCO SETTLEMENT REVIEW

Revised Pennsylvania Psychiatric Institute Uncompensated Care Payment Year 2012

December 2014



Commonwealth of Pennsylvania
Department of the Auditor General
Eugene A. DePasquale • Auditor General



**Commonwealth of Pennsylvania
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**EUGENE A. DePASQUALE
AUDITOR GENERAL**

December 19, 2014

Ms. Lisa Laudeman-Jones
Patients Account Manager
Pennsylvania Psychiatric Institute
2501 North Third Street
Harrisburg, PA 17110

Dear Ms. Laudeman-Jones:

For the tobacco settlement payment received by Pennsylvania Psychiatric Institute in August 2012, the Department of the Auditor General performed a review of Pennsylvania Psychiatric Institute's records to substantiate the data it submitted to the Pennsylvania Health Care Cost Containment Council (PHC4) and the Department of Human Services (DHS) for payments made under the Tobacco Settlement Act of June 26, 2001 (P.L. 755, No. 77), as amended, 35 P.S. § 5701.101 et seq. Our report containing the results of that review was released on August 14, 2014. The results of that review disclosed that 13 of the 15 data elements utilized by the DHS to calculate the year 2012 uncompensated care payment were properly supported and reconciled to applicable supporting documentation. For the 2 remaining data elements, we noted that for the fiscal years ended June 30, 2009 and 2010, we found that total MA days were understated when comparing your facility's census records to the data utilized by the DHS to calculate your facility's payment. These understatements were due to errors in calculating HMO days, which is a factor of total MA days, when reporting these data elements to the DHS by your facility. As a result, we increased your facility's MA days by 21 days and 104 days, respectively. Furthermore, the UC score used by the DHS to calculate the original payment was 50.41%. The results of that review determined that the UC score for Pennsylvania Psychiatric Institute should increase to 50.98%.

Since the August 14, 2014 release of that report, we found a typographical error in our previously reported revised UC score for Pennsylvania Psychiatric Institute. This report supersedes our original report released on August 14, 2014.

Our final conclusion is that the results of our review determined that the UC score for Pennsylvania Psychiatric Institute should increase to 50.75%. As stated in our original report, this revised score could affect your facility's eligibility for the 2012 uncompensated care payment.

Also, as previously communicated in our original report released August 14, 2014, our office was in the process of reviewing all facilities that received uncompensated care payments for year 2012 and once all of those reviews were completed, we would be preparing a revised entitlement schedule based on the results of all our reviews and including that schedule in a final summary report to the DHS. We are currently in the process of preparing this final summary report and it was during this process that we identified the typographical error in our original report related to our revised UC score for your facility.

Finally, as previously communicated in our original report released August 14, 2014, after reviewing our released summary report, the DHS will contact you with instructions regarding the settlement of your facility's 2012 uncompensated care entitlement.

We, again, thank the staff of Pennsylvania Psychiatric Institute for the cooperation extended to us during the course of our review. If you have any questions, please feel free to contact Tracie Fountain, CPA, Director, Bureau of Children and Youth Services at 717-787-1159.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke at the end.

Eugene A. DePasquale
Auditor General

**PENNSYLVANIA PSYCHIATRIC INSTITUTE
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2012 UNCOMPENSATED CARE PAYMENT**

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Ms. Lisa Laudeman-Jones
Patients Account Manager
Pennsylvania Psychiatric Institute

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