

**REPORT
ON THE
RATE SETTING AUDIT**

**UCP/SCF HARBOR HOUSE
LOMITA, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1518119775**

**FISCAL PERIOD ENDED
JUNE 30, 2011**

**Audits Section—Burbank
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Debra K. Blake
Auditor: Loan Vuong**



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

November 14, 2012

James P. Hudson
Chief Financial Officer
UCP/SCF of Los Angeles and Ventura Counties
6430 Independence Avenue
Woodland Hills, CA 91367

UCP/SCF HARBOR HOUSE
NATIONAL PROVIDER IDENTIFIER (NPI) 1518119775
FISCAL PERIOD ENDED JUNE 30, 2011

We have examined the facility's financial records/Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from Share of Cost. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the accompanying audit report schedules represent a proper determination of the allowable costs, patient days, and use of share of cost for the above fiscal period in accordance with Medi-Cal reimbursement principles. The results of our examination are as follows:

<u>COST AND COST PER DAY</u>		<u>COST</u>	<u>COST PER DAY</u>
Reported Cost/Cost Per Day	\$	991,590	\$ 191.72
Net Audit Adjustment		<u>(1,701)</u>	<u>(0.33)</u>
Audited Cost/Cost Per Day	\$	<u>989,889</u>	\$ <u>191.39</u>

This audit report includes the:

1. Audit Report Schedules 1 and 2
2. Audit Adjustments Schedule

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Fee-For-Service Rates Development Division.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

If you disagree with the decision of the Department, you may appeal by writing to:

Chief
Department of Health Care Services
Office of Administrative Hearings and Appeals
1029 J Street, Suite 200
Sacramento, CA 95814
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

United States Postal Service (USPS)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
PO Box 997413
Sacramento, CA 95899

Courier (UPS, FedEx, etc.)

Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
1501 Capitol Avenue, Suite 71.5001
Sacramento, CA 95814
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and California Code of Regulations, Title 22, Section 51016, et seq.

If you have questions regarding this report, you may call the Audits Section—Burbank at (818) 295-2620.

Original Signed By

Daniel J. Giardinelli, Chief
Audits Section—Burbank
Financial Audits Branch

Certified

**SUMMARY OF AUDITED FACILITY CENSUS
AND AUDITED CLIENT COST PER DAY**

Provider:
UCP/SCF HARBOR HOUSE

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518119775

**SUMMARY OF AUDITED FACILITY CENSUS
AND AUDITED CLIENT COST PER DAY**

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	5,172	5,172
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	0	0
4. Total Client Days	<u>5,172</u>	<u>5,172</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>991,590</u>	\$ <u>989,889</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>191.72</u>	\$ <u>191.39</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>0</u>	\$ <u>0</u>
--	-------------	-------------

OVERPAYMENTS

1. Duplicate Payments (Adj)	\$ <u>0</u>	\$ <u>0</u>
2. Credit Balances (Adj)	\$ <u>0</u>	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UCP/SCF HARBOR HOUSE

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518119775

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization	1	\$ 3,568	\$ (2,061)	\$ 1,507
050	Leases and Rentals		10,004		10,004
055	Real Property Taxes		0		0
060	Personal Property Taxes		0		0
065	Mortgage Interest		0		0
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 13,572	\$ (2,061)	\$ 11,511
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 832	\$	\$ 832
085	Utilities		86		86
090	Client Transportation (excluding Adult Day Services)		23,064		23,064
095	Dietary		33,646		33,646
100	Personal Care and Laundry		28,504		28,504
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 86,132	\$ 0	\$ 86,132
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 99,704	\$ (2,061)	\$ 97,643
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 22,441	\$	\$ 22,441
120	QMRP Fringe Benefits		1,631		1,631
125	Lead Salaries		63,366		63,366
130	Lead Fringe Benefits		29,891		29,891
135	Aides Salaries		299,667		299,667
140	Aides Fringe Benefits		146,564		146,564
145	Other Salaries		1,900		1,900
150	Other Fringe Benefits		723		723
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 566,183	\$ 0	\$ 566,183

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UCP/SCF HARBOR HOUSE

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518119775

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 8,126	\$	\$ 8,126
165	Speech Pathology Consultant		5,385		5,385
170	Physical Therapy Consultant		3,750		3,750
175	Occupational Therapy Consultant		2,700		2,700
180	Pharmacist Consultant		100		100
185	Nurse Consultant		75,577		75,577
190	Psychologist Consultant		4,600		4,600
195	Physician Consultant		0		0
200	Recreational Consultant		1,360		1,360
205	Social Service Consultant		12,588		12,588
210	Other Consultant		715		715
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 114,901	\$ 0	\$ 114,901
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 18,352	\$	\$ 18,352
225	Administrative Fringe Benefits		9,326		9,326
226	Quality Assurance Fees (excluding Adult Day Services)		58,068		58,068
230	Other General and Administrative*** (Excluding Adult Day Services)	2	125,056	360	125,416
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 210,802	\$ 360	\$ 211,162
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 991,590	\$ (1,701)	\$ 989,889
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 0	\$	\$ 0
241	Adult Day Services and Related Transportation		0		0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 991,590	\$ (1,701)	\$ 989,889

Page 2 of 2

** List only direct administrative salaries incurred at the facility level

*** List allocated administrative costs on Line 230

Provider Name		Fiscal Period		Provider NPI		Adjustments	
UCP/SCF HARBOR HOUSE		JULY 1, 2010 THROUGH JUNE 30, 2011		1518119775		2	
Adj. No.	DHS 3076 Page or Exhibit	Report References		Line	Sch.	Line	Col
		Cost Report	Audit Report				
<u>ADJUSTMENTS TO REPORTED COSTS</u>							
1	4	045	4	2	045	3	3
Depreciation and Amortization To adjust depreciation expense for patient lift system for a change in useful life to agree with the American Hospital Association Guidelines. 42 CFR 413.20 and 413.134(b)(7) CMS Pub. 15-1, Sections 104.17, 104.18, 122, 2300 and 2304							
							\$3,568 (\$2,061) \$1,507
2	4.1	230	4	2	230	3	3
Other General and Administrative To include IT service expense for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304							
							\$125,056 \$360 \$125,416