

**REPORT
ON THE
RATE SETTING AUDIT**

**UCP/SCF HILLCREST HOUSE
THOUSAND OAKS, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1720254535**

**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: Lee Ly**



TOBY DOUGLAS
DIRECTOR

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

UCF/SCF HILLCREST HOUSE
NATIONAL PROVIDER IDENTIFIER (NPI) 1720254535
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 Costs. 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	\$	1,328,282		\$ 258.92
Net Audit Adjustment		<u>(2,117)</u>		<u>(0.41)</u>
Audited Cost/Cost Per Day	\$	<u>1,326,165</u>		\$ <u>258.51</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.

James P. Hudson
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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 HILLCREST HOUSE

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

Provider NPI:
1720254535

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	5,101	5,101
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	29	29
4. Total Client Days	<u>5,130</u>	<u>5,130</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>1,328,282</u>	\$ <u>1,326,165</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>258.92</u>	\$ <u>258.51</u>

SHARE OF COST

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

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

Provider NPI:
1720254535

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	2	\$ 9,369	\$ (2,117)	\$ 7,252
050	Leases and Rentals		13,175		13,175
055	Real Property Taxes		1,836		1,836
060	Personal Property Taxes		0		0
065	Mortgage Interest		0		0
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 24,380	\$ (2,117)	\$ 22,263
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 35	\$	\$ 35
085	Utilities		689		689
090	Client Transportation (excluding Adult Day Services)		10,694		10,694
095	Dietary		61,480		61,480
100	Personal Care and Laundry		36,282		36,282
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 109,180	\$ 0	\$ 109,180
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 133,560	\$ (2,117)	\$ 131,443
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 27,785	\$	\$ 27,785
120	QMRP Fringe Benefits		12,496		12,496
125	Lead Salaries		106,763		106,763
130	Lead Fringe Benefits		56,521		56,521
135	Aides Salaries		272,629		272,629
140	Aides Fringe Benefits		129,461		129,461
145	Other Salaries		13,317		13,317
150	Other Fringe Benefits		5,711		5,711
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 624,683	\$ 0	\$ 624,683

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UCP/SCF HILLCREST HOUSE

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

Provider NPI:
1720254535

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 3,180	\$	\$ 3,180
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		4,800		4,800
175	Occupational Therapy Consultant		2,734		2,734
180	Pharmacist Consultant		1,760		1,760
185	Nurse Consultant		280,195		280,195
190	Psychologist Consultant		2,006		2,006
195	Physician Consultant		12,000		12,000
200	Recreational Consultant		6,875		6,875
205	Social Service Consultant		14,251		14,251
210	Other Consultant		0		0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 327,801	\$ 0	\$ 327,801
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 23,826	\$	\$ 23,826
225	Administrative Fringe Benefits		14,111		14,111
226	Quality Assurance Fees (excluding Adult Day Services)	1	(72,374)	144,748	72,374
230	Other General and Administrative*** Adult Day Services (Excluding Adult Day Services)	1	276,675	(144,748)	131,927
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 242,238	\$ 0	\$ 242,238
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 1,328,282	\$ (2,117)	\$ 1,326,165
	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)		\$ 1,328,282	\$ (2,117)	\$ 1,326,165

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** 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 HILLCREST HOUSE		JULY 1, 2010 THROUGH JUNE 30, 2011				1720254535			
Adj. No.	MC530 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted	
		Line	Col.	Sch.	Line				Sub No
1	4.1	230	4	2	230	3			
	4.1	226	4	2	226	3			
<p style="text-align: center;">RECLASSIFICATION OF REPORTED COSTS</p> <p>Other General and Administrative Quality Assurance Fees</p> <p>To revise the provider's proposed reclassification of quality assurance fees to the appropriate cost center 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8</p>									
							\$276,675 (72,374)	(\$144,748) 144,748	\$131,927 72,374

Provider Name		Fiscal Period		Provider NPI		Adjustments				
UCP/SCF HILLCREST HOUSE		JULY 1, 2010 THROUGH JUNE 30, 2011		1720254535		2				
Adj. No.	Report References			Line	Sch.	Sub No	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
	Cost Report	Audit Report								
2	4	045	4	2	045	3	Depreciation and Amortization To adjust the Patient Life System depreciation expense 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, 122, 2300 and 2304	\$9,369	(\$2,117)	\$7,252
ADJUSTMENT TO REPORTED COSTS										