

**REPORT  
ON THE  
RATE SETTING AUDIT**

**UCP/SCF HUBBARD HOUSE  
SYLMAR, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1922250968**

**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: Rolando Hernandez**



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 HUBBARD HOUSE  
NATIONAL PROVIDER IDENTIFIER (NPI) 1922250968  
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	\$	1,107,777		\$ 210.04
Net Audit Adjustment		(1,284)		(0.24)
Audited Cost/Cost Per Day	\$	<u>1,106,493</u>		\$ <u>209.80</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 HUBBARD HOUSE

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

**Provider NPI:**  
1922250968

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

	<b>AS REPORTED</b>	<b>AS AUDITED</b>
1. Medi-Cal Client Days (Adj )	5,273	5,273
2. Medi-Cal Managed Care Days (Adj )	0	0
3. Other Client Days (Adj )	1	1
4. Total Client Days	<u>5,274</u>	<u>5,274</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>1,107,777</u>	\$ <u>1,106,493</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>210.04</u>	\$ <u>209.80</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 HUBBARD HOUSE

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

Provider NPI:  
1922250968

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	<b>EXPENSES: CLIENT SERVICES</b>				
	<b>Basic Facility Cost - Property Expenses</b>				
045	Depreciation and Amortization	2	\$ 3,236	\$ (1,284)	\$ 1,952
050	Leases and Rentals		9,745		9,745
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)		\$ 12,981	\$ (1,284)	\$ 11,697
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance		\$ 0	\$	\$ 0
085	Utilities		502		502
090	Client Transportation (excluding Adult Day Services)		13,178		13,178
095	Dietary		45,395		45,395
100	Personal Care and Laundry		18,949		18,949
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 78,024	\$ 0	\$ 78,024
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 91,005	\$ (1,284)	\$ 89,721
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 39,770	\$	\$ 39,770
120	QMRP Fringe Benefits		21,070		21,070
125	Lead Salaries		31,268		31,268
130	Lead Fringe Benefits		16,644		16,644
135	Aides Salaries		316,340		316,340
140	Aides Fringe Benefits		171,210		171,210
145	Other Salaries		13,232		13,232
150	Other Fringe Benefits		6,275		6,275
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 615,809	\$ 0	\$ 615,809

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
UCP/SCF HUBBARD HOUSE

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

Provider NPI:  
1922250968

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	<b>EXPENSES: CONSULTANT COSTS</b>				
160	Dietician Consultant		\$ 3,092	\$	\$ 3,092
165	Speech Pathology Consultant		6,512		6,512
170	Physical Therapy Consultant		720		720
175	Occupational Therapy Consultant		10,931		10,931
180	Pharmacist Consultant		200		200
185	Nurse Consultant		105,098		105,098
190	Psychologist Consultant		0		0
195	Physician Consultant		0		0
200	Recreational Consultant		360		360
205	Social Service Consultant		12,162		12,162
210	Other Consultant		900		900
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 139,975	\$ 0	\$ 139,975
	<b>EXPENSES: ADMINISTRATIVE COSTS</b>				
220	Administrative Salaries **		\$ 46,103	\$	\$ 46,103
225	Administrative Fringe Benefits		23,316		23,316
226	Quality Assurance Fees (excluding Adult Day Services)	1	(62,105)	124,210	62,105
230	Other General and Administrative*** (Excluding Adult Day Services)	1	253,674	(124,210)	129,464
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 260,988	\$ 0	\$ 260,988
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 1,107,777	\$ (1,284)	\$ 1,106,493
	<b>NON-CLIENT CARE EXPENSES</b>		(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)		\$ 1,107,777	\$ (1,284)	\$ 1,106,493

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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 HUBBARD HOUSE		JULY 1, 2010 THROUGH JUNE 30, 2011		1922250968		2		
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted
		Line	Col.	Line	Col			
1	4.1	226	4	2	226	(\$62,105)	\$124,210	\$62,105
	4.1	230	4	2	230	253,674	(124,210)	129,464
<p style="text-align: center;"><b>RECLASSIFICATION OF REPORTED COSTS</b></p> <p>Quality Assurance Fees</p> <p>Other General and Administrative</p> <p>To revise the provider's reclassification of quality assurance fees to reflect the appropriate fees</p> <p>42 CFR 413.20 and 413.24</p> <p>CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8</p>								

Provider Name		Fiscal Period				Provider NPI		Adjustments	
UCP/SCF HUBBARD HOUSE		JULY 1, 2010 THROUGH JUNE 30, 2011				1922250968		2	
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted	
		Line	Col.	Line	Col.				
2	4	45	4	2	45	2	\$3,236	(\$1,284)	\$1,952
<p><b>Explanation of Audit Adjustments</b>  <b>ADJUSTMENT TO REPORTED COSTS</b></p> <p>Depreciation and Amortization                      To adjust 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</p>									