

**REPORT
ON THE
RATE SETTING AUDIT**

**JAMES COURT MANOR ICF/DD-H
SAN MATEO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1730351545**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Louise Wong
Audit Supervisor: David Mui
Auditor: Mandy Lin**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 15, 2013

Yolanda T. Ruiz, Administrator
James Court Manor ICF/DD-H
1316 James Court
San Mateo, CA 94401

JAMES COURT MANOR ICF/DD-H
NATIONAL PROVIDER IDENTIFIER (NPI) 1730351545
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's financial records/Medi-Cal Cost Report for the above-referenced fiscal period. 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 and patient days 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	\$	336,844	\$ 166.67
Net Audit Adjustment		<u>(13,312)</u>	<u>(6.58)</u>
Audited Cost/Cost Per Day	\$	<u>323,532</u>	\$ <u>160.09</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.

Yolanda T. Ruiz
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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:

John Melton, 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 - Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief
Audits Section - Richmond
Financial Audits Branch

Certified

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

Provider:

JAMES COURT MANOR ICF/DD-H

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:

1730351545

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj 6)	2,021	0
2. Medi-Cal Managed Care Days (Adj 6)	0	2,021
3. Other Client Days (Adj)	0	0
4. Total Client Days	<u>2,021</u>	<u>2,021</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>336,844</u>	\$ <u>323,532</u>
6. AVERAGE CLIENT COST PER DAY (Line 5 / Line 4)	\$ <u>166.67</u>	\$ <u>160.09</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>NA</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:
JAMES COURT MANOR ICF/DD-H

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1730351545

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		\$ 8,702	\$ 0	\$ 8,702
050	Leases and Rentals		34,925	0	34,925
055	Real Property Taxes				0
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance		2,065	0	2,065
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 45,692	\$ 0	\$ 45,692
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 4,809	\$ 0	\$ 4,809
085	Utilities	1	12,849	(3,572)	9,277
090	Client Transportation (excluding Adult Day Services)	2	3,632	(2,785)	847
095	Dietary	3	27,457	(1,472)	25,985
100	Personal Care and Laundry		6,705		6,705
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 55,451	\$ (7,829)	\$ 47,622
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 101,143	\$ (7,829)	\$ 93,314
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 22,844	\$ 0	\$ 22,844
120	QMRP Fringe Benefits		2,068	0	2,068
125	Lead Salaries				0
130	Lead Fringe Benefits				0
135	Aides Salaries		55,968	0	55,968
140	Aides Fringe Benefits		5,066	0	5,066
145	Other Salaries				0
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 85,946	\$ 0	\$ 85,946

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
JAMES COURT MANOR ICF/DD-H

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1730351545

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 1,600	\$ 0	\$ 1,600
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		363	0	363
175	Occupational Therapy Consultant		420	0	420
180	Pharmacist Consultant				0
185	Nurse Consultant		35,317	0	35,317
190	Psychologist Consultant		2,805	0	2,805
195	Physician Consultant				0
200	Recreational Consultant		1,900	0	1,900
205	Social Service Consultant		370	0	370
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 42,775	\$ 0	\$ 42,775
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 55,310	\$ 0	\$ 55,310
225	Administrative Fringe Benefits		5,003	0	5,003
226	Quality Assurance Fees (excluding Adult Day Services)		29,454	0	29,454
230	Other General and Administrative*** (excluding Adult Day Services)	4, 5	17,213	(5,483)	11,730
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 106,980	\$ (5,483)	\$ 101,497
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 336,844	\$ (13,312)	\$ 323,532
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 30,881	\$ 0	\$ 30,881
241	Adult Day Services and Related Transportation				0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 367,725	\$ (13,312)	\$ 354,413

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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		
JAMES COURT MANOR ICF/DD-H							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1730351545	6		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col.					
ADJUSTMENTS TO REPORTED COSTS											
1	4	085	4	2	085	3	Utilities To adjust the reported expenses to agree with the provider's records 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$12,849	(\$3,572)	\$9,277	
2	4	090	4	2	090	3	Client Transportation To eliminate client transportation expense not related to patient care and not applicable to the audit facility. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105	\$3,632	(\$2,785)	\$847	
3	4	095	4	2	095	3	Dietary To adjust the reported expenses to agree with the provider's supporting documentations. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$27,457	(\$1,472)	\$25,985	
4	5	230	4	2	230	3	Other General and Administrative To eliminate administrative expense not applicable to this facility. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302, 2304, and 2306	\$17,213	(\$4,550)	\$12,663 *	
5	5	230	4	2	230	3	Other General and Administrative To eliminate interest expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	* \$12,663	(\$933)	\$11,730	

*Balance carried forward from prior/to subsequent adjustments

Provider Name				Fiscal Period				Provider NPI		Adjustments
JAMES COURT MANOR ICF/DD-H				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1730351545		6
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col.				
<u>ADJUSTMENT TO REPORTED PATIENT DAYS</u>										
6	2	3	2	1	1	1	Medi-Cal Client Days	2,021	(2,021)	0
	2	3	3	1	2	1	Medi-Cal Managed Care Days To adjust Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	2,021	2,021