

**REPORT
ON THE
RATE SETTING AUDIT**

**ROBILYN'S GUEST HOME 1
CARSON, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1275749715**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Maria Delgado
Audit Supervisor: Deborah Lee
Auditor: George Barbosa**



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



EDMUND G. BROWN JR.
GOVERNOR

June 21, 2013

Erlinda Reynolds, Administrator
Robilyn's Guest Home I
22237 Catskill Avenue
Carson, CA 90745

ROBILYN'S GUEST HOME I
NATIONAL PROVIDER IDENTIFIER: 1275749715
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	\$	284,161	\$ 155.70
Net Audit Adjustment		<u>(16,730)</u>	<u>(9.16)</u>
Audited Cost/Cost Per Day	\$	<u>267,431</u>	\$ <u>146.54</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.

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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.

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If you have questions regarding this report, you may call the Audits Section—Gardena at (310) 516-4757.

Original Signed By:

Maria Delgado, Chief
Audits Section—Gardena
Financial Audits Branch

Certified

cc: Lori Reyes, Consultant
13349 Ebell Street
Van Nuys, CA 91402

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

Provider:
ROBILYN'S GUEST HOME I

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

Provider NPI:
1275749715

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,825	1,825
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	0	0
4. Total Client Days	<u>1,825</u>	<u>1,825</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>284,161</u>	\$ <u>267,431</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>155.70</u>	\$ <u>146.54</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:
ROBILYN'S GUEST HOME I

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

Provider NPI:
1275749715

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	\$ 6,456	\$ (2,387)	\$ 4,069
050	Leases and Rentals				0
055	Real Property Taxes		3,482		3,482
060	Personal Property Taxes				0
065	Mortgage Interest		12,116		12,116
070	Property Insurance		1,566		1,566
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 23,620	\$ (2,387)	\$ 21,233
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	7,8	\$ 5,260	\$ (2,370)	\$ 2,890
085	Utilities		8,778		8,778
090	Client Transportation (excluding Adult Day Services)	3,9	7,358	(7,358)	0
095	Dietary		9,014		9,014
100	Personal Care and Laundry	10	9,691	(2,000)	7,691
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 40,101	\$ (11,728)	\$ 28,373
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 63,721	\$ (14,115)	\$ 49,606
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 26,500		\$ 26,500
120	QMRP Fringe Benefits				0
125	Lead Salaries		38,990		38,990
130	Lead Fringe Benefits		5,476		5,476
135	Aides Salaries	1	62,080	(1,055)	61,025
140	Aides Fringe Benefits		9,250		9,250
145	Other Salaries		9,000		9,000
150	Other Fringe Benefits		884		884
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 152,180	\$ (1,055)	\$ 151,125

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ROBILYN'S GUEST HOME I

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

Provider NPI:
1275749715

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 800	\$	\$ 800
165	Speech Pathology Consultant		1,475		1,475
170	Physical Therapy Consultant		650		650
175	Occupational Therapy Consultant				0
180	Pharmacist Consultant		190		190
185	Nurse Consultant		10,080		10,080
190	Psychologist Consultant		1,225		1,225
195	Physician Consultant				0
200	Recreational Consultant				0
205	Social Service Consultant				0
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 14,420	\$ 0	\$ 14,420
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 19,000	\$	\$ 19,000
225	Administrative Fringe Benefits		1,886		1,886
226	Quality Assurance Fees (excluding Adult Day Services)	4	15,433	(141)	15,292
230	Other General and Administrative*** (Excluding Adult Day Services)	5,6	17,521	(1,419)	16,102
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 53,840	\$ (1,560)	\$ 52,280
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 284,161	\$ (16,730)	\$ 267,431
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	\$ 0
241	Adult Day Services and Related Transportation		150,852		150,852
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 435,013	\$ (16,730)	\$ 418,283

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

*** List allocated administrative costs on Line 230

Provider Name							Fiscal Period	Provider NPI		Adjustments
ROBILYN'S GUEST HOME I							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1275749715		10
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	4.1	135	4	2	135	3	Aides Salaries To adjust the reported aides salaries expense to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$62,080	(\$1,055)	\$61,025
2	4	045	4	2	045	3	Depreciation and Amortization To eliminate depreciation expense due to insufficient documentation 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$6,456	(\$2,387)	\$4,069
3	4	090	4	2	090	3	Client Transportator To eliminate client transportation expense due to insufficient documentation 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$7,358	(\$2,000)	\$5,358 *
4	4.1	226	4	2	226	3	Quality Assurance Fees To adjust estimated accrued quality assurance expense to agree with the provider's actual expense 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$15,433	(\$141)	\$15,292
5	4.1	230	4	2	230	3	Other General and Administrative To eliminate payroll tax expense due to lack of documentation 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)	\$17,521	(\$1,314)	\$16,207 *

*Balance carried forward from prior/to subsequent adjustment

Provider Name							Fiscal Period	Provider NPI		Adjustments	
ROBILYN'S GUEST HOME I							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1275749715		10	
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											
6	4.1	230	4	2	230	3	Other General and Administrative To reconcile the reported office expenses to agree with the provider's general ledger. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$16,207	(\$105)	\$16,102
7	4	080	4	2	080	3	Home Operations and Maintenance To eliminate gardener expenses due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)		\$5,260	(\$870)	\$4,390 *
8	4	080	4	2	080	3	Home Operations and Maintenance To adjust home maintenance expense to agree with expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304 and 2306	*	\$4,390	(\$1,500)	\$2,890
9	4	090	4	2	090	3	Client Transportation To eliminate client transportation expense due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)	*	\$5,358	(\$5,358)	\$0
10	4	100	4	2	100	3	Personal Care and Laundry To eliminate client event expense due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)		\$9,691	(\$2,000)	\$7,691

*Balance carried forward from prior/to subsequent adjustments