

**REPORT
ON THE
RATE SETTING AUDIT**

**ROBILYN'S GUEST HOME IV
CLAREMONT, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1558472019**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Julio M. Cueto
Audit Supervisor: Bina Matani
Auditor: Mandy Ho**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 3, 2013

Erlinda Reynolds, Administrator
Robilyn's Guest Home IV
555 West San Jose Avenue
Claremont, CA 91711-5496

ROBILYN'S GUEST HOME IV
NATIONAL PROVIDER IDENTIFIER (NPI) 1558472019
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	\$	273,988	\$ 151.12
Net Audit Adjustment		<u>(20,373)</u>	<u>(11.23)</u>
Audited Cost/Cost Per Day	\$	<u>253,615</u>	\$ <u>139.89</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—Rancho Cucamonga at (909) 481-3420.

Original Signed By

Julio M. Cueto, Chief
Audits Section—Rancho Cucamonga
Financial Audits Branch

Certified

cc: Arecio Briones, Consultant
13349 Ebell Street
Van Nuys, CA 91402

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

Provider:
ROBILYN'S GUEST HOME IV

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

Provider NPI:
1558472019

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,813	1,813
2. Medi-Cal Managed Care Days (Adj)		0
3. Other Client Days (Adj)		0
4. Total Client Days	<u>1,813</u>	<u>1,813</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>273,988</u>	\$ <u>253,615</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>151.12</u>	\$ <u>139.89</u>
SHARE OF COST		
1. Share of Cost Audit Adjustment (Adj)	\$ <u>NA</u>	\$ <u>0</u>
OVERPAYMENTS		
1. Duplicate Payments (Adj)	\$ <u> </u>	\$ <u>0</u>
2. Credit Balances (Adj)	\$ <u> </u>	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ROBILYN'S GUEST HOME IV

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

Provider NPI:
1558472019

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		\$ 2,245	\$	\$ 2,245
050	Leases and Rentals	1	30,950	(950)	30,000
055	Real Property Taxes				0
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance				0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 33,195	\$ (950)	\$ 32,245
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	4	\$ 7,679	\$ (2,700)	\$ 4,979
085	Utilities		6,578		6,578
090	Client Transportation (excluding Adult Day Services)	5,6	7,262	(7,063)	199
095	Dietary	1	7,698	950	8,648
100	Personal Care and Laundry	2,7,8	7,281	(6,317)	964
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 36,498	\$ (15,130)	\$ 21,368
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 69,693	\$ (16,080)	\$ 53,613
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 11,520	\$	\$ 11,520
120	QMRP Fringe Benefits				0
125	Lead Salaries		34,234		34,234
130	Lead Fringe Benefits		4,856		4,856
135	Aides Salaries		65,187		65,187
140	Aides Fringe Benefits		9,796		9,796
145	Other Salaries		7,500		7,500
150	Other Fringe Benefits		601		601
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 133,694	\$ 0	\$ 133,694

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ROBILYN'S GUEST HOME IV

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

Provider NPI:
1558472019

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 600	\$	\$ 600
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		1,063		1,063
175	Occupational Therapy Consultant		1,192		1,192
180	Pharmacist Consultant	2		585	585
185	Nurse Consultant	9	10,749	(800)	9,949
190	Psychologist Consultant	3		1,610	1,610
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)		\$ 13,604	\$ 1,395	\$ 14,999
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 9,500	\$	\$ 9,500
225	Administrative Fringe Benefits		1,227		1,227
226	Quality Assurance Fees (excluding Adult Day Services)		14,838		14,838
230	Other General and Administrative*** (Excluding Adult Day Services)	3,10,11,12	31,432	(5,688)	25,744
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 56,997	\$ (5,688)	\$ 51,309
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 273,988	\$ (20,373)	\$ 253,615
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	\$ 0
241	Adult Day Services and Related Transportation		125,595		125,595
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 399,583	\$ (20,373)	\$ 379,210

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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		
ROBILYN'S GUEST HOME IV							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1558472019	12		
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>RECLASSIFICATIONS OF REPORTED COSTS</u>											
1	4	050	4	2	050	3	Leases and Rentals	\$30,950	(\$950)	\$30,000	
	4	095	4	2	095	3	Dietary	7,698	950	8,648	
							To reclassify dietary expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				
2	4	100	4	2	100	3	Personal Care and Laundry	\$7,281	(\$585)	\$6,696 *	
	4.1	180	4	2	180	3	Pharmacist Consultant	0	585	585	
							To reclassify pharmacist consultant expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				
3	4.1	190	4	2	190	3	Psychologist Consultant	\$0	\$1,610	\$1,610	
	4.1	230	4	2	230	3	Other General and Administrative	31,432	(1,610)	29,822 *	
							To reclassify psychologist consultant expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				

*Balance carried forward from prior/to subsequent adjustments

Provider Name				Fiscal Period			Provider NPI		Adjustments	
ROBILYN'S GUEST HOME IV				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1558472019		12	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col				
<u>ADJUSTMENTS TO REPORTED COSTS</u>										
4	4	080	4	2	080	3	Home Operations and Maintenance To eliminate home operations and maintenance 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)	\$7,679	(\$2,700)	\$4,979
	4	090	4	2	090	3	Client Transportation	\$7,262		
5							To eliminate auto expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(\$2,063)	
6							To eliminate gasoline 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)		<u>(5,000)</u> (\$7,063)	\$199
	4	100	4	2	100	3	Personal Care and Laundry	* \$6,696		
7							To eliminate client events and other personal care and laundry 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)		(\$5,572)	
8							To eliminate personal clothing expenses not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2105		<u>(160)</u> (\$5,732)	\$964
*Balance carried forward from prior/to subsequent adjustments										

Provider Name							Fiscal Period	Provider NPI		Adjustments
ROBILYN'S GUEST HOME IV							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1558472019		12
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>ADJUSTMENTS TO REPORTED COSTS</u>										
9	4.1	185	4	2	185	3	Nurse Consultant To eliminate nurse consultant 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)	\$10,749	(\$800)	\$9,949
	4.1	230	4	2	230	3	Other General and Administrative	*	\$29,822	
10							To eliminate professional service fees due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(\$1,500)	
11							To eliminate legal and professional fees 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)		(2,360)	
12							To eliminate federal income taxes. 42 CFR 413.9, 413.20, and 413.24 CMS Pub. 15-1, Sections 2122.2A, 2122.2B, 2300, and 2304		(218) (\$4,078)	\$25,744

*Balance carried forward from prior/to subsequent adjustments