

**REPORT
ON THE
RATE SETTING AUDIT**

**SUNBURST CARE CENTER - WINNETKA
WINNETKA, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1639387731**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Celia Aviña
Auditor: Kit Chao**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 5, 2013

Administrator
Sunburst Care Center, Inc.
19684 Los Alimos Street
Chatsworth, CA 91311-1934

SUNBURST CARE CENTER - WINNETKA
NATIONAL PROVIDER IDENTIFIER (NPI) 1639387731
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	\$	353,534	\$ 164.28
Net Audit Adjustment		(2,341)	(3.92)
Audited Cost/Cost Per Day	\$	<u>351,193</u>	\$ <u>160.36</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.

Administrator
Page 2

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:
SUNBURST CARE CENTER - WINNETKA

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

Provider NPI:
1639387731

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj 6)	2,152	2,190
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	0	0
4. Total Client Days	<u>2,152</u>	<u>2,190</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>353,534</u>	\$ <u>351,193</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>164.28</u>	\$ <u>160.36</u>

SHARE OF COST

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

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:
SUNBURST CARE CENTER - WINNETKA

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

Provider NPI:
1639387731

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		\$ 5,400	\$	\$ 5,400
050	Leases and Rentals		0		0
055	Real Property Taxes		3,016		3,016
060	Personal Property Taxes		0		0
065	Mortgage Interest		8,084		8,084
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 16,500	\$ 0	\$ 16,500
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 24,007	\$	\$ 24,007
085	Utilities	2	5,375	(434)	4,941
090	Client Transportation (excluding Adult Day Services)		0		0
095	Dietary	1	13,140	(537)	12,603
100	Personal Care and Laundry		671		671
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 43,193	\$ (971)	\$ 42,222
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 59,693	\$ (971)	\$ 58,722
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 17,900	\$	\$ 17,900
120	QMRP Fringe Benefits	5	1,628	12	1,640
125	Lead Salaries		34,577		34,577
130	Lead Fringe Benefits	5	9,554	(133)	9,421
135	Aides Salaries		53,775		53,775
140	Aides Fringe Benefits	5	15,359	(208)	15,151
145	Other Salaries		10,502		10,502
150	Other Fringe Benefits	5	1,978	(16)	1,962
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 145,273	\$ (345)	\$ 144,928

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
SUNBURST CARE CENTER - WINNETKA

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

Provider NPI:
1639387731

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
EXPENSES: CONSULTANT COSTS					
160	Dietician Consultant	4	\$ 777	\$ (30)	\$ 747
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant	4	310	(10)	300
175	Occupational Therapy Consultant	4	914	(8)	906
180	Pharmacist Consultant	4	1,134	40	1,174
185	Nurse Consultant		0		0
190	Psychologist Consultant		0		0
195	Physician Consultant		0		0
200	Recreational Consultant	4	213	(133)	80
205	Social Service Consultant		0		0
210	Other Consultant	4	964	(119)	845
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 4,312	\$ (260)	\$ 4,052
EXPENSES: ADMINISTRATIVE COSTS					
220	Administrative Salaries **		\$ 0	\$	\$ 0
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees (excluding Adult Day Services)		18,887		18,887
230	Other General and Administrative*** (Excluding Adult Day Services)	3	125,369	(765)	124,604
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 144,256	\$ (765)	\$ 143,491
TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)			\$ 353,534	\$ (2,341)	\$ 351,193
NON-CLIENT CARE EXPENSES			(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 0	\$	\$ 0
241	Adult Day Services and Related Transportation		181,274		181,274
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 534,808	\$ (2,341)	\$ 532,467

Page 2 of 2

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

*** List allocated administrative costs on Line 230

Provider Name							Fiscal Period	Provider NPI	Adjustments	
SUNBURST CARE CENTER - WINNETKA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1639387731	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	095	4	2	095	2	Dietary To adjust the reported grocery expenses to agree with the provider's invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$13,140	(\$537)	\$12,603
2	4	085	4	2	085	2	Utilities To eliminate home office telephone expense. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	\$5,375	(\$434)	\$4,941
3	4.1	230	4	2	230	2	Other General and Administrative To adjust the reported license fee to agree with the provider's invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$125,369	(\$765)	\$124,604
4	4.1	160	4	2	160	2	Dietitian Consultant	\$777	(\$30)	\$747
	4.1	170	4	2	170	2	Physical Therapy Consultant	310	(10)	300
	4.1	175	4	2	175	2	Occupational Therapy Consultant	914	(8)	906
	4.1	180	4	2	180	2	Pharmacist Consultant	1,134	40	1,174
	4.1	200	4	2	200	2	Recreational Consultant	213	(133)	80
	4.1	210	4	2	210	2	Other Consultant To adjust the reported consultant expenses to agree with the invoices submitted. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	964	(119)	845

Provider Name				Fiscal Period				Provider NPI		Adjustments
SUNBURST CARE CENTER - WINNETKA				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1639387731		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>ADJUSTMENTS TO REPORTED COSTS</u>										
5	4.1	120	4	2	120	2	QMRP Fringe Benefits	\$1,628	\$12	\$1,640
	4.1	130	4	2	130	2	Lead Fringe Benefits	9,554	(133)	9,421
	4.1	140	4	2	140	2	Aides Fringe Benefits	15,359	(208)	15,151
	4.1	150	4	2	150	2	Other Fringe Benefits	1,978	(16)	1,962
							To adjust worker's compensation and health insurance adjustment to agree with the invoices submitted. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304			

Provider Name				Fiscal Period				Provider NPI		Adjustments
SUNBURST CARE CENTER - WINNETKA				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1639387731		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	1	1	1	2	Medi-Cal Client Days To adjust total patient days to agree with the provider's patient census reports. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1, Sections 2205, 2300 and 2304	2,152	38	2,190