

**REPORT
ON THE
RATE SETTING AUDIT**

**ALLEN-COX FAMILY HOUSE - BRIX
FRESNO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1104055458**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Michael Harrold
Audit Supervisor: Kristina Nacino
Auditor: Kathleen Nuzzolese**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

June 04, 2013

Laura Harris, Owner
Allen-Cox Family House
2019 E. Oakhaven
Fresno, CA 93730

ALLEN-COX FAMILY HOUSE - BRIX
NATIONAL PROVIDER IDENTIFIER (NPI) 1104055458
FISCAL PERIOD ENDED DECEMBER 31, 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	\$	329,972	\$ 160.96
Net Audit Adjustment		<u>(61,668)</u>	<u>(32.03)</u>
Audited Cost/Cost Per Day	\$	<u>268,304</u>	\$ <u>128.93</u>

This audit report includes the:

1. Audit Report Schedules 1 and 2
2. Audit Adjustments that include a summary of the total due the State in the amount of \$40,381, which resulted from Medi-Cal overpayments
3. Audited Allocation of Home Office Cost

The audit settlement will be incorporated into a Statement of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement of Account Status.

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 Medi-Cal Benefits, Waiver Analysis and Rates Division.

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.

Laura Harris
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If you have questions regarding this report, you may call the Audits Section—Fresno at (559) 446-2458.

Original Signed By

Linda King

For:
Michael A. Harrold, Chief
Audits Section—Fresno
Financial Audits Branch

Certified

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

Provider:
ALLEN-COX FAMILY HOUSE - BRIX

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

Provider NPI:
1104055458

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj 10)	2,050	2,081
2. Medi-Cal Managed Care Days (Adj)		0
3. Other Client Days (Adj)		0
4. Total Client Days	<u>2,050</u>	<u>2,081</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>329,972</u>	\$ <u>268,304</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>160.96</u>	\$ <u>128.93</u>
SHARE OF COST		
1. Share of Cost Audit Adjustment (Adj 11)	\$ <u>NA</u>	\$ <u>(40,381)</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:
ALLEN-COX FAMILY HOUSE - BRIX

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

Provider NPI:
1104055458

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		\$	\$	\$ 0
050	Leases and Rentals		18,850		18,850
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)		\$ 18,850	\$ 0	\$ 18,850
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	1,3	\$ 14,248	\$ (9,459)	\$ 4,789
085	Utilities	4	7,899	(1,787)	6,112
090	Client Transportation (excluding Adult Day Services)				0
095	Dietary		49		49
100	Personal Care and Laundry	2,5	3,658	(3,500)	158
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 25,854	\$ (14,746)	\$ 11,108
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 44,704	\$ (14,746)	\$ 29,958
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$	\$	\$ 0
120	QMRP Fringe Benefits				0
125	Lead Salaries		52,637		52,637
130	Lead Fringe Benefits		9,369		9,369
135	Aides Salaries		122,821		122,821
140	Aides Fringe Benefits	6	9,369	12,493	21,862
145	Other Salaries				0
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 194,196	\$ 12,493	\$ 206,689

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ALLEN-COX FAMILY HOUSE - BRIX

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

Provider NPI:
1104055458

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant	7	\$ 493	\$ (150)	\$ 343
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant				0
175	Occupational Therapy Consultant				0
180	Pharmacist Consultant				0
185	Nurse Consultant	1,2,7	300	4,000	4,300
190	Psychologist Consultant	6	453	(453)	0
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)		\$ 1,246	\$ 3,397	\$ 4,643
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 1,280		\$ 1,280
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees (excluding Adult Day Services)		15,000		15,000
230	Other General and Administrative*** (Excluding Adult Day Services)	8-9	73,546	(62,812)	10,734
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 89,826	\$ (62,812)	\$ 27,014
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)*		\$ 329,972	\$ (61,668)	\$ 268,304
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	\$ 0
241	Adult Day Services and Related Transportation				0
245	TOTAL FACILITY EXPENSES * (Lines 110, 155, 215, 235, 240 and 241)		\$ 329,972	\$ (61,668)	\$ 268,304

* Does not foote due to rounding.

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

*** List allocated administrative costs on Line 230

Provider Name							Fiscal Period	Provider NPI		Adjustments
ALLEN-COX FAMILY HOUSE - BRIX							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1104055458		11
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	080	4	2	080	3	Home Operations and Maintenance	\$14,248	(\$900)	\$13,348 *
	4.1	185	4	2	185	3	Nurse Consultant	300	900	1,200 *
							To reclassify nurse consultant expense to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
2	4	100	4	2	100	3	Personal Care and Laundry	\$3,658	(\$3,400)	\$258 *
	4.1	185	4	2	185	3	Nurse Consultant	* 1,200	3,400	4,600 *
							To reclassify nurse consultant expense to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
ALLEN-COX FAMILY HOUSE - BRIX							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1104055458		11	
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											
3	4	080	4	2	080	3	Home Operations and Maintenance To eliminate home operations and maintenance expenses due to la of and insufficient documentation 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$13,348	(\$8,559)	\$4,789
4	4	085	4	2	085	3	Utilities To eliminate telephone expense due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$7,899	(\$1,787)	\$6,112
5	4	100	4	2	100	3	Personal Care and Laundry To eliminate auto expense due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$258	(\$100)	\$158
6	4.1	140	4	2	140	3	Aides Fringe Benefits To reconcile the reported benefits expenses to agree with the provider's payroll schedule. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$9,369	\$12,493	\$21,862

Provider Name				Fiscal Period				Provider NPI		Adjustments
ALLEN-COX FAMILY HOUSE - BRIX				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1104055458		11
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>										
7	4.1	160	4	2	160	3	Dietician Consultant	\$493	(\$150)	\$343
	4.1	185	4	2	185	3	Nurse Consultant	* 4,600	(300)	4,300
							To eliminate consultant expenses due to lack of and insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
	4.1	230	4	2	230	3	Other General and Administrative	\$73,546		
8							To adjust the reported home office costs to agree with the Allen-Cox Family House Home Office Audit Report for fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304		(\$61,530)	
9							To eliminate workers' compensation expense due to lack of documentation and expenses already included with employees benefits. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(1,282) (\$62,812)	\$10,734

*Balance carried forward from prior/to subsequent adjustments

Provider Name				Fiscal Period				Provider NPI		Adjustments
ALLEN-COX FAMILY HOUSE - BRIX				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1104055458		11
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>										
10	2	3	1	1	1	2	Medi-Cal Client Days To adjust client days to include bed hold or leave days. 42 CFR 413.24 CMS Pub. 15-1, Sections 2205.4 and 2304 CCR, Title 22, Sections 51535(a) and 51535(b)	2,050	31	2,081

Provider Name				Fiscal Period				Provider NPI		Adjustments
ALLEN-COX FAMILY HOUSE - BRIX				JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1104055458		11
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 OTHER MATTERS</u>										
11	N/A			1	1	2	Overpayments To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed and due to lack of documentation. 42 CFR 413.5, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2409 CCR, Title 22, Sections 50786 and 51458.1	\$0	\$40,381	\$40,381