

**REPORT
ON THE
RATE SETTING AUDIT**

**ALLEN-COX FAMILY HOUSE - WHEELER
FRESNO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1922237098**

**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

May 17, 2013

Laura Harris, Owner
Allen-Cox Family House
2010 E. Oakhaven
Fresno, CA 93730

ALLEN-COX FAMILY HOUSE - WHEELER
NATIONAL PROVIDER IDENTIFIER (NPI) 1922237098
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	\$	378,446	\$ 173.52
Net Audit Adjustment		(104,243)	(48.31)
Audited Cost/Cost Per Day	\$	<u>274,203</u>	\$ <u>125.21</u>

This audit report includes the:

1. Audit Report Schedules 1 and 2
2. Audit Adjustments Schedule
3. Audited Allocation of Home Office Cost

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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.

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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

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 - WHEELER

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

Provider NPI:
1922237098

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj 9)	2,181	2,190
2. Medi-Cal Managed Care Days (Adj)		0
3. Other Client Days (Adj)		0
4. Total Client Days	<u>2,181</u>	<u>2,190</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>378,446</u>	\$ <u>274,203</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>173.52</u>	\$ <u>125.21</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:
ALLEN-COX FAMILY HOUSE - WHEELER

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

Provider NPI:
1922237098

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	8	19,350	(2,150)	17,200
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)		\$ 19,350	\$ (2,150)	\$ 17,200
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	1,3	\$ 21,333	\$ (12,362)	\$ 8,971
085	Utilities		6,717		6,717
090	Client Transportation (excluding Adult Day Services)	2,4	3,806	(3,578)	228
095	Dietary		715		715
100	Personal Care and Laundry	5	609	(559)	50
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 33,180	\$ (16,499)	\$ 16,681
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 52,530	\$ (18,649)	\$ 33,881
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$	\$	\$ 0
120	QMRP Fringe Benefits				0
125	Lead Salaries		53,903		53,903
130	Lead Fringe Benefits		9,595		9,595
135	Aides Salaries		125,774		125,774
140	Aides Fringe Benefits		22,388		22,388
145	Other Salaries				0
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 211,660	\$ 0	\$ 211,660

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ALLEN-COX FAMILY HOUSE - WHEELER

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

Provider NPI:
1922237098

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 870	\$	\$ 870
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant				0
175	Occupational Therapy Consultant				0
180	Pharmacist Consultant				0
185	Nurse Consultant	1,2	0	4,300	4,300
190	Psychologist Consultant		834		834
195	Physician Consultant				0
200	Recreational Consultant				0
205	Social Service Consultant				0
210	Other Consultant	6	360	(360)	0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 2,064	\$ 3,940	\$ 6,004
	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)	7	95,912	(89,534)	6,378
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 112,192	\$ (89,534)	\$ 22,658
	TOTAL COSTS RELATED TO CLIENT CARE* (Lines 110, 155, 215 and 235)		\$ 378,446	\$ (104,243)	\$ 274,203
	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)		\$ 378,446	\$ (104,243)	\$ 274,203

* Variance 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 - WHEELER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1922237098		9	
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	\$21,333	(\$900)	\$20,433 *	
	4.1	185	4	2	185	3	Nurse Consultant	0	900	900 *	
							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	090	4	2	090	3	Client Transportation	\$3,806	(\$3,400)	\$406 *	
	4.1	185	4	2	185	3	Nurse Consultant	* 900	3,400	4,300	
							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 - WHEELER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1922237098	9		
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 expense due to lack documentation, insufficient documentation, and for items not included the rate. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51510.3	*	\$20,433	(\$11,462)	\$8,971
4	4	090	4	2	090	3	Client Transportation To eliminate auto expense due to lack of and insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$406	(\$178)	\$228
5	4	100	4	2	100	3	Personal Care and Laundry To eliminate clothing expense due to lack of documentation and for personal items not included in the rate. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51510.3		\$609	(\$559)	\$50
6	4.1	210	4	2	210	3	Other Consultant To eliminate consultant expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$360	(\$360)	\$0
7	4.1	230	4	2	230	3	Other General and Administrative 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		\$95,912	(\$89,534)	\$6,378

Provider Name							Fiscal Period			Provider NPI		Adjustments
ALLEN-COX FAMILY HOUSE - WHEELER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1922237098		9
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>												
8	4	50	4	2	50	3	Leases and Rentals To reconcile the reported expenses to agree with the provider's profit and loss by class. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$19,350	(\$2,150)	\$17,200		