

**REPORT
ON THE
RATE SETTING AUDIT**

**ALLEN-SPEES FAMILY HOME II – DEL MAR
FRESNO, CALIFORNIA
NPI NUMBER: 1346392412**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Michael Harrold
Supervisor: Kristina Nacino
Auditor: Wen Li**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 24, 2013

Susan Allen, Administrator
Allen-Spees Family Home
6391 North Del Mar
Fresno, CA 93704

ALLEN-SPEES FAMILY HOME II – DEL MAR
NATIONAL PROVIDER IDENTIFIER (NPI) 1346392412
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, 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	\$	510,432	\$ 237.74
Net Audit Adjustment		<u>(28,357)</u>	<u>(13.21)</u>
Audited Cost/Cost Per Day	\$	<u>482,075</u>	\$ <u>224.53</u>

This audit report includes the:

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

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.

Susan Allen
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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.

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-SPEES FAMILY HOME II - DEL MAR

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

Provider NPI:
1346392412

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	2,147	2,147
2. Medi-Cal Managed Care Days (Adj)		0
3. Other Client Days (Adj)		0
4. Total Client Days	<u>2,147</u>	<u>2,147</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>510,432</u>	\$ <u>482,075</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>237.74</u>	\$ <u>224.53</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>
2. Credit Balances (Adj)	\$ _____	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ALLEN-SPEES FAMILY HOME II - DEL MAR

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

Provider NPI:
1346392412

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		\$ 6,370	\$	\$ 6,370
050	Leases and Rentals		0		0
055	Real Property Taxes		1,595		1,595
060	Personal Property Taxes		0		0
065	Mortgage Interest		1,447		1,447
070	Property Insurance		1,899		1,899
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 11,311	\$ 0	\$ 11,311
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	1	\$ 18,109	\$ (12,711)	\$ 5,398
085	Utilities		11,347		11,347
090	Client Transportation (excluding Adult Day Services)		0		0
095	Dietary		0		0
100	Personal Care and Laundry	3	5,423	(4,688)	735
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 34,879	\$ (17,399)	\$ 17,480
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 46,190	\$ (17,399)	\$ 28,791
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 17,500	\$	\$ 17,500
120	QMRP Fringe Benefits		1,750		1,750
125	Lead Salaries		69,356		69,356
130	Lead Fringe Benefits		7,516		7,516
135	Aides Salaries		161,830		161,830
140	Aides Fringe Benefits		17,537		17,537
145	Other Salaries		0		0
150	Other Fringe Benefits		0		0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 275,489	\$ 0	\$ 275,489

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
ALLEN-SPEES FAMILY HOME II - DEL MAR

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

Provider NPI:
1346392412

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 1,510	\$	\$ 1,510
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		215		215
175	Occupational Therapy Consultant		40		40
180	Pharmacist Consultant		0		0
185	Nurse Consultant	2	10,958	(10,958)	0
190	Psychologist Consultant		0		0
195	Physician Consultant		0		0
200	Recreational Consultant		325		325
205	Social Service Consultant		0		0
210	Other Consultant		178		178
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 13,226	\$ (10,958)	\$ 2,268
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 0	\$	\$ 0
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees (excluding Adult Day Services)		17,088		17,088
230	Other General and Administrative*** (Excluding Adult Day Services)		158,439		158,439
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 175,527	\$ 0	\$ 175,527
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 510,432	\$ (28,357)	\$ 482,075
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 0	\$	\$ 0
241	Adult Day Services and Related Transportation		0		0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 510,432	\$ (28,357)	\$ 482,075

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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		
ALLEN-SPEES FAMILY HOME II - DEL MAR							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1346392412	3		
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	80	4	2	80	3	Home Operations and Maintenance To eliminate home operations and maintenance expenses that do not pertain to the audit period and/or facility, not included in the rate, and due to lack of or insufficient documentation 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2106.1, 2300 and 2304 CCR, Title 22, Section 51510.3(b)(4)	\$18,109	(\$12,711)	\$5,398	
2	4.1	185	4	2	185	3	Nurse Consultant To eliminate nurse consultant on call expenses due to insufficient documentation. 42 CFR 413.5, 413.20 and 413.24 CMS Pub. 15-1, Sections 2102, 2103, 2109.1, 2300 and 2304	\$10,958	(\$10,958)	\$0	
3	4	100	4	2	100	3	Personal Care and Laundry To eliminate personal care and laundry expenses that do not pertain to the audit period, not included in the rate, and due to lack of or insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2106.1, 2300 and 2304 CCR, Title 22, Section 51510.3(b)(4)	\$5,423	(\$4,688)	\$735	