REPORT
ON THE
RATE SETTING AUDIT

UNITED CARE HOMES - CAMWOOD
ROWLAND HEIGHTS, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1528112687

FISCAL PERIOD ENDED
DECEMBER 31, 2011

Audits Section—Santa Ana
Financial Audits Branch
Audits and Investigations
Department of Health Care Services

Section Chief: Margaret A. Varho
Audit Supervisor: Lan Nguyen
Auditor: Vanessa Hu

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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

Date: July 10, 2013

Susana Tubianosa, Administrator
United Care Homes – Camwood
1982 Camwood Avenue
Rowland Heights, CA 91748

UNITED CARE HOMES – CAMWOOD
NATIONAL PROVIDER IDENTIFIER (NPI) 1528112687
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:

COST AND COST PER DAY		COST		COST PER DAY
Reported Cost/Cost Per Day	$	310,439	$	144.52
Net Audit Adjustment		(43,440)		(20.22)
Audited Cost/Cost Per Day	$	266,999	$	124.30

This audit report includes the:

1. Audit Report Schedules 1 and 2

2. Audit Adjustments Schedule

3. Audited 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.

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—Santa Ana at (714) 558-4434.

(*Original signed by Margaret A. Varho*)

Margaret A. Varho, Chief
Audits Section—Santa Ana
Financial Audits Branch

Certified

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY

Provider:
UNITED CARE HOMES - CAMWOOD

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

Provider NPI:
1528112687

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	2,148	2,148
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	0	0
4. Total Client Days	2,148	2,148
5. Total Client Care Expenses (From Sch. 2)	$ 310,439	$ 266,999
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	$ 144.52	$ 124.30
SHARE OF COST		
1. Share of Cost Audit Adjustment (Adj)	$ NA	$ 0
OVERPAYMENTS		
1. Duplicate Payments (Adj)	$ 0	$ 0
2. Credit Balances (Adj)	$ 0	$ 0
3. Total Overpayments	$ 0	$ 0

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UNITED CARE HOMES - CAMWOOD

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

Provider NPI:
1528112687

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	$ 3,856	$ (3,856)	$ 0
050	Leases and Rentals				0
055	Real Property Taxes		5,592		5,592
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance				0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		$ 9,448	$ (3,856)	$ 5,592
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	3,4,16	$ 6,292	$ (4,204)	$ 2,088
085	Utilities	5,6,7,16	12,064	(5,174)	6,890
090	Client Transportation (excluding Adult Day Services)	8,16	6,104	(3,659)	2,445
095	Dietary		13,304		13,304
100	Personal Care and Laundry	9,16	3,950	(2,053)	1,897
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		$ 41,714	$ (15,090)	$ 26,624
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		$ 51,162	$ (18,946)	$ 32,216
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		$ 14,400	$	$ 14,400
120	QMRP Fringe Benefits				0
125	Lead Salaries	10,11	24,410	(10,807)	13,603
130	Lead Fringe Benefits	16	3,723	(216)	3,507
135	Aides Salaries		82,487		82,487
140	Aides Fringe Benefits	16	12,919	(729)	12,190
145	Other Salaries		6,474		6,474
150	Other Fringe Benefits	16	946	(57)	889
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		$ 145,359	$ (11,809)	$ 133,550

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UNITED CARE HOMES - CAMWOOD

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

Provider NPI:
1528112687

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		$ 1,257	$	$ 1,257
165	Speech Pathology Consultant		2,145		2,145
170	Physical Therapy Consultant	1	0	1,243	1,243
175	Occupational Therapy Consultant	1,12	1,911	(1,183)	728
180	Pharmacist Consultant				0
185	Nurse Consultant	16	32,909	(221)	32,688
190	Psychologist Consultant	12	250	(225)	25
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)		$ 38,472	$ (386)	$ 38,086
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **	16	$ 24,788	$ (24,788)	$ 0
225	Administrative Fringe Benefits	16	3,978	(3,978)	0
226	Quality Assurance Fees (excluding Adult Day Services)		21,852		21,852
230	Other General and Administrative*** (Excluding Adult Day Services)	13,14,15,16	24,828	16,467	41,295
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		$ 75,446	$ (12,299)	$ 63,147
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		$ 310,439	$ (43,440)	$ 266,999
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		$	$	$ 0
241	Adult Day Services and Related Transportation		132,283		132,283
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		$ 442,722	$ (43,440)	$ 399,282

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

*** List allocated administrative costs on Line 230

Provider Name	Fiscal Period	Provider NPI	Adjustments
UNITED CARE HOMES - CAMWOOD	JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1528112687	16

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							RECLASSIFICATION OF REPORTED COSTS			
1	4.1	170	4	2	170	3	Physical Therapy Consultant	$0	$1,243	$1,243
	4.1	175	4	2	175	3	Occupational Therapy Consultant	1,911	(1,243)	668 *
							To reclassify physical therapy expense 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
UNITED CARE HOMES - CAMWOOD	JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1528112687	16

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col	Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED COSTS				
2	4	045	4	2	045	3	Depreciation and Amortization To eliminate depreciation expense 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)		$3,856	($3,856)	$0
3	4	080	4	2	080	3	Home Operations and Maintenance To eliminate the home office expense for proper cost determination. 42 CFR 413.17 CMS Pub. 15-1, Sections 2150.2 and 2304		$6,292	($727)	$5,565 *
4	4	080	4	2	080	3	Home Operations and Maintenance To include the fire inspection expense applicable to the facility. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	$5,565	$275	$5,840 *
5	4	085	4	2	085	3	Utilities To eliminate the duplicated payment. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		$12,064	($250)	$11,814 *
6	4	085	4	2	085	3	Utilities To eliminate the home office telephone expense for proper cost determination. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	*	$11,814	($2,033)	$9,781 *
7	4	085	4	2	085	3	Utilities To eliminate the home office utilities expense for proper cost determination. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	*	$9,781	($2,680)	$7,101 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider NPI	Adjustments
UNITED CARE HOMES - CAMWOOD	JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1528112687	16

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED COSTS			
8	4	090	4	2	090	3	Client Transportation To eliminate gasoline expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$6,104	($250)	$5,854 *
9	4	100	4	2	100	3	Personal Care and Laundry To eliminate expense not applicable to the facility and due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$3,950	($1,070)	$2,880 *
10	4.1	125	4	2	125	3	Lead Salaries To eliminate lead salaries expense applicable to another facility for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$24,410	($9,960)	$14,450 *
11	4.1	125	4	2	125	3	Lead Salaries * To eliminate lead salaries expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$14,450	($847)	$13,603
12	4.1	175	4	2	175	3	Occupational Therapy Consultant *	$668	$60	$728
	4.1	190	4	2	190	3	Psychologist Consultant	250	(225)	25
							To reclassify expense to the appropriate cost center and to eliminate service expense not included in the routine rate. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8 CCR, Title 22, Section 51510.3			

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider NPI	Adjustments
UNITED CARE HOMES - CAMWOOD	JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1528112687	16

Report References										
	Cost Report			Audit Report						
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch.	Line	Col	Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED COSTS				
13	4.1	230	4	2	230	3	Other General and Administrative To eliminate expense that has been recorded under salaries cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		$24,828	($1,346)	$23,482 *
14	4.1	230	4	2	230	3	Other General and Administrative To eliminate office supplies expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	$23,482	($1,626)	$21,856 *
15	4.1	230	4	2	230	3	Other General and Administrative To adjust DHCS license fees to agree with expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304 and 2306	*	$21,856	($425)	$21,431 *
16	4	080	4	2	080	3	Home Operations and Maintenance	*	$5,840	($3,752)	$2,088
	4	085	4	2	085	3	Utilities	*	7,101	(211)	6,890
	4	090	4	2	090	3	Client Transportation	*	5,854	(3,409)	2,445
	4	100	4	2	100	3	Personal Care and Laundry	*	2,880	(983)	1,897
	4.1	130	4	2	130	3	Lead Fringe Benefits		3,723	(216)	3,507
	4.1	140	4	2	140	3	Aides Fringe Benefits		12,919	(729)	12,190
	4.1	150	4	2	150	3	Other Fringe Benefits		946	(57)	889
	4.1	185	4	2	185	3	Nurse Consultant		32,909	(221)	32,688
	4.1	220	4	2	220	3	Administrative Salaries		24,788	(24,788)	0
	4.1	225	4	2	225	3	Administrative Fringe Benefits		3,978	(3,978)	0
	4.1	230	4	2	230	3	Other General and Administrative To adjust reported home office costs to agree with the United Care Homes, Inc. 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	*	21,431	19,864	41,295

*Balance carried forward from prior/to subsequent adjustments