

**APPEAL RECOMPUTATION
OF THE
AUDIT REPORT**

**KELLY AND SCOTT'S CARE HOME 2
DELANO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1184759227**

**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: Linda King
Auditor: Barbara Still**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

June 10, 2014

Kelly Baumgardner, Administrator
Kelly and Scott's Care Home
2215 5th Drive
Delano, CA 93215

In the Matter of:

KELLY AND SCOTT'S CARE HOME 2
NATIONAL PROVIDER IDENTIFIER (NPI): 1184759227
FISCAL PERIOD ENDED: DECEMBER 31, 2011
CASE NUMBER: NF14-1211-126G-AH

Pursuant to the Office of Administrative Hearings and Appeals' Report of Findings dated April 10, 2014, the following revisions are made to the Medi-Cal audit report dated July 5, 2013.

SUMMARY OF REVISIONS

		<u>COST</u>	<u>COST PER DAY</u>
Audited Cost and Cost Per Day	\$	292,013	\$ 133.34
Revision		<u>54,712</u>	<u>24.98</u>
Revised Cost and Cost Per Day	\$	<u>346,725</u>	\$ <u>158.32</u>

Enclosed are the revised schedules detailing the results of the recomputation.

Original Signed by

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

cc: Mr. Paul Nelson
Nelson & Associates
1581 18th Avenue
Kingsburg, CA 93631

Kelly Baumgardner
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cc: Sandy Yien, Chief
Medi-Cal Benefits, Waiver Analysis and Rates Division
Department of Health Care Services
M.S. 4600
P.O. Box 997417
Sacramento, CA 95899-7417

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

Provider:
KELLY AND SCOTT'S CARE HOME 2

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

Provider NPI:
1184759227

SUMMARY OF REVISED FACILITY CENSUS AND REVISED CLIENT COST PER DAY	AS AUDITED	AS REVISED
1. Medi-Cal Client Days (Rev)	2,190	2,190
2. Medi-Cal Managed Care Days (Rev)	0	0
3. Other Client Days (Rev)	0	0
4. Total Client Days	<u>2,190</u>	<u>2,190</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>292,013</u>	\$ <u>346,725</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>133.34</u>	\$ <u>158.32</u>

SHARE OF COST

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

1. Duplicate Payments (Rev)	\$ <u>0</u>	\$ <u>0</u>
2. Credit Balances (Rev)	\$ <u>0</u>	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF REVISED FACILITY EXPENSES

Provider:
KELLY AND SCOTT'S CARE HOME 2

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

Provider NPI:
1184759227

Line No.	DESCRIPTION	REV. NO.	AS AUDITED Col. 1	REVISED ADJUSTMENT Col. 2	AS REVISED Col. 3
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization	1	\$ 1,893	\$ 105	\$ 1,998
050	Leases and Rentals		0		0
055	Real Property Taxes		0		0
060	Personal Property Taxes		0		0
065	Mortgage Interest	1	4,901	273	5,174
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 6,794	\$ 378	\$ 7,172
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	1	\$ 4,446	\$ 45	\$ 4,491
085	Utilities	1	5,137	286	5,423
090	Client Transportation (excluding Adult Day Services)	1	1,011	(641)	370
095	Dietary	1	13,377	1,062	14,439
100	Personal Care and Laundry	1	902	576	1,478
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 24,873	\$ 1,328	\$ 26,201
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 31,667	\$ 1,706	\$ 33,373
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries	1	\$ 12,990	\$ 5,010	\$ 18,000
120	QMRP Fringe Benefits		0		0
125	Lead Salaries	1	41,065	(1,410)	39,655
130	Lead Fringe Benefits	1, 2	4,229	2,100	6,329
135	Aides Salaries	1	95,820	17,507	113,327
140	Aides Fringe Benefits	1, 2	9,868	8,227	18,095
145	Other Salaries		0		0
150	Other Fringe Benefits		0		0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 163,972	\$ 31,434	\$ 195,406

SUMMARY OF REVISED FACILITY EXPENSES

Provider:
KELLY AND SCOTT'S CARE HOME 2

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

Provider NPI:
1184759227

Line No.	DESCRIPTION	REV NO.	AS AUDITED Col. 1	REVISED ADJUSTMENT Col. 2	AS REVISED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 1,911	\$	\$ 1,911
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		0		0
175	Occupational Therapy Consultant		0		0
180	Pharmacist Consultant		0		0
185	Nurse Consultant	1	12,448	(958)	11,490
190	Psychologist Consultant		0		0
195	Physician Consultant		0		0
200	Recreational Consultant		1,160		1,160
205	Social Service Consultant		0		0
210	Other Consultant		0		0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 15,519	\$ (958)	\$ 14,561
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **	1	\$ 12,990	\$ (750)	\$ 12,240
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees (excluding Adult Day Services)	1	21,396	8,253	29,649
230	Other General and Administrative*** (Excluding Adult Day Services)	1	46,469	15,027	61,496
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 80,855	\$ 22,530	\$ 103,385
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 292,013	\$ 54,712	\$ 346,725
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services	1	\$ 117,412	\$ (46,946)	\$ 70,466
241	Adult Day Services and Related Transportation				0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235, 240 and 241)		\$ 409,425	\$ 7,766	\$ 417,191

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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	NPI	Revisions	
KELLY AND SCOTT'S CARE HOME 2							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1184759227	2	
Report References							Explanation of Appeal Revisions	As Audited	Increase (Decrease)	As Revised
Rev. No.	Cost Report			Audit Report						
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
REVISIONS TO AUDITED COSTS										
1	4.1	240	4	2	240	3	Non-Program Services	\$117,412	(\$46,946)	\$70,466
	4	045	4	2	045	3	Depreciation and Amortization	1,893	105	1,998
	4	065	4	2	065	3	Mortgage Interest	4,901	273	5,174
	4	080	4	2	080	3	Home Operations and Maintenance	4,446	45	4,491
	4	085	4	2	085	3	Utilities	5,137	286	5,423
	4	090	4	2	090	3	Client Transportation	1,011	(641)	370
	4	095	4	2	095	3	Dietary	13,377	1,062	14,439
	4	100	4	2	100	3	Personal Care and Laundry	902	576	1,478
	4.1	115	4	2	115	3	QMRP Salaries	12,990	5,010	18,000
	4.1	125	4	2	125	3	Lead Salaries	41,065	(1,410)	39,655
	4.1	130	4	2	130	3	Lead Fringe Benefits	4,229	(230)	3,999 *
	4.1	135	4	2	135	3	Aides Salaries	95,820	17,507	113,327
	4.1	140	4	2	140	3	Aides Fringe Benefits	9,868	2,791	12,659 *
	4.1	185	4	2	185	3	Nurse Consultant	12,448	(958)	11,490
	4.1	220	4	2	220	3	Administrative Salaries	12,990	(750)	12,240
	4.1	226	4	2	226	3	Quality Assurance Fees	21,396	8,253	29,649
	4.1	230	4	2	230	3	Other General and Administrative Appeal Finding - Issue #1	46,469	15,027	61,496
2	4.1	130	4	2	130	3	Lead Fringe Benefits	* \$3,999	\$2,330	\$6,329
	4.1	140	4	2	140	3	Aides Fringe Benefits Appeal Finding - Issue #6	* 12,659	5,436	18,095

*Balance carried forward from prior/to subsequent adjustments