

**REPORT
ON THE
HOME OFFICE AUDIT**

**CARCIDO'S ICF/DDH HOMES
STOCKTON, CALIFORNIA**

**FISCAL PERIOD ENDED
MAY 31, 2012**

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

**Section Chief: Robert G. Kwick
Audit Supervisor: Delia Valencia
Auditor: Ellada Kalachov**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 15, 2013

Medina T. Carcido, Administrator
Carcido's ICF/DDH Homes
P.O. Box 690097
Stockton, CA 95269

CARCIDO'S ICF/DDH HOMES, INC.
FISCAL PERIOD ENDED MAY 31, 2012

We have examined the Medi-Cal Home Office Cost Report for the fiscal period ended May 31, 2012. 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 Comparison of Reported and Audited Home Office Cost represents a proper determination of home office allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles. The audited home office cost will be incorporated, by separate adjustment, into each applicable facility audit report.

This audit report includes the:

1. Comparison of Reported and Audited Home Office Cost and supporting schedules
2. Audit Adjustments Schedule

If you disagree with the decision of the Department, the results of the home office audit may only be appealed through each individual facility's audit report. Please refer to the appeal instructions in each facility's audit report.

Medina T. Carcido
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If you have questions regarding this report, you may call the Audits Section—
Sacramento at (916) 650-6994.

Original Signed By

Robert G. Kvick, Chief
Audits Section—Sacramento
Financial Audits Branch

Certified

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COMPARISON OF REPORTED AND AUDITED
HOME OFFICE COST

HOME OFFICE:
CARCIDO'S HOMES, INC.

FISCAL PERIOD ENDED:
MAY 31, 2012

CHAIN COMPONENTS 1	MEDI-CAL NUMBER 2	FISCAL YEAR END 3	REPORTED COST 4	AUDITED COST 5	VARIANCE 6
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(From Sch 2, Col 6) (Col 5 - Col 4)

1. Carcido's ICF #1	1447466321	5/31/12	\$418	\$2,711	\$2,292
2. Carcido's ICF #2	1033326798	5/31/12	418	2,807	2,389
3. Carcido's ICF #3	1568679223	5/31/12	418	2,777	2,359
4. Carcido's ICF #4	1063628972	5/31/12	418	2,773	2,354
5. Carcido's Guest Homes #3			0	1,538	1,538
6. Carcido's Guest Homes #4			0	1,549	1,549
7. J & M Homes			0	1,316	1,316
8.				0	0
9.				0	0
10.				0	0
11.				0	0
12.				0	0
13.				0	0
14.				0	0
15.				0	0
16.				0	0
17.				0	0
18.				0	0
19.				0	0
20.				0	0
21.				0	0
22.				0	0
23.				0	0
24.				0	0
25.				0	0

TOTALS

\$1,673	\$15,470	\$13,797
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SUMMARY OF DIRECT AND ALLOCATED POOL COST

HOME OFFICE:
CARCIDO'S HOMES, INC.FISCAL PERIOD ENDED:
MAY 31, 2012

CHAIN COMPONENTS 1	MEDI-CAL NUMBER 2	FISCAL YEAR END 3	DIRECT EXPENSES 4	POOLED EXPENSES 5	TOTAL DIRECT & POOLED FACILITY EXPENSE 6
			(From Sch 4)	(From Sch 3)	(Col 4 + Col 5)
1. Carcido's ICF #1	1447466321	5/31/12	\$0	\$2,711	\$2,711
2. Carcido's ICF #2	1033326798	5/31/12	0	2,807	2,807
3. Carcido's ICF #3	1568679223	5/31/12	0	2,777	2,777
4. Carcido's ICF #4	1063628972	5/31/12	0	2,773	2,773
5. Carcido's Guest Homes #3		0	0	1,538	1,538
6. Carcido's Guest Homes #4		0	0	1,549	1,549
7. J & M Homes		0	0	1,316	1,316
8.			0	0	0
9.			0	0	0
10.			0	0	0
11.			0	0	0
12.			0	0	0
13.			0	0	0
14.			0	0	0
15.			0	0	0
16.			0	0	0
17.			0	0	0
18.			0	0	0
19.			0	0	0
20.			0	0	0
21.			0	0	0
22.			0	0	0
23.			0	0	0
24.			0	0	0
25.			0	0	0
TOTALS			\$0	\$15,470	\$15,470

(To Sch 1)

ALLOCATION OF POOLED EXPENSES

HOME OFFICE:
CARCIDO'S HOMES, INC.

FISCAL PERIOD ENDED:
MAY 31, 2012

PART I - ALLOCATION BETWEEN PROVIDER AND NONPROVIDER COMPONENTS

FACILITY	Allocation Statistics Base:		Allocation Pool Expenses 3
	Accumulated Cost 1	Percent 2	
Program Services (Adj 5)	\$2,014,593	75.0904%	\$15,469
Nonprogram Services (Adj 5)	668,297	24.9096%	5,132
TOTAL	\$2,682,890	100.0000%	\$20,601

(From Sch 5)

PART II - ALLOCATION TO INDIVIDUAL CHAIN COMPONENTS

CHAIN COMPONENTS	NPI NUMBER	Audit Adjustment	Allocation Statistic: (cost)	Allocated Pool Expense (Col 2 X UCM)
1. Carcido's ICF #1	1447466321	5	352,994	\$2,711
2. Carcido's ICF #2	1033326798	5	365,597	2,807
3. Carcido's ICF #3	1568679223	5	361,653	2,777
4. Carcido's ICF #4	1063628972	5	361,058	2,773
5. Carcido's Guest Homes #3		5	200,240	1,538
6. Carcido's Guest Homes #4		5	201,694	1,549
7. J & M Homes		5	171,357	1,316
8.				0
9.				0
10.				0
11.				0
12.				0
13.				0
14.				0
15.				0
16.				0
17.				0
18.				0
19.				0
20.				0
21.				0
22.				0
23.				0
24.				0
25.				0

TOTALS

2,014,593	\$15,470
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(To Sch 2)

UNIT COST MULTIPLIER (UCM) (Pooled Expenses/Patient Days)	0.007679
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DIRECT ALLOCATION OF EXPENSES TO CHAIN COMPONENTS

HOME OFFICE:
CARCIDO'S HOMES, INC.

FISCAL PERIOD ENDED:
MAY 31, 2012

CHAIN COMPONENTS 1	NPI NUMBER	REPORTED TOTAL (Col F) 2	Expense Directly Allocable to Chain Component				AUDITED TOTAL 7
			specify expense 3 (Adj 1) (Adj)	specify expense 4 (Adj) (Adj)	specify expense 5 (Adj) (Adj)	specify expense 6 (Adj) (Adj)	
1. Carcido's ICF #1		\$0	\$0	\$0	\$0	\$0	\$0
2. Carcido's ICF #2		0	0	0	0	0	0
3. Carcido's ICF #3		0	0	0	0	0	0
4. Carcido's ICF #4		0	0	0	0	0	0
5. Carcido's Guest Homes #3		0	0	0	0	0	0
6. Carcido's Guest Homes #4		0	0	0	0	0	0
7. J & M Homes		0	0	0	0	0	0
8.		0	0	0	0	0	0
9.		0	0	0	0	0	0
10.		0	0	0	0	0	0
11.		0	0	0	0	0	0
12.		0	0	0	0	0	0
13.		0	0	0	0	0	0
14.		0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0
21.		0	0	0	0	0	0
22.		0	0	0	0	0	0
23.		0	0	0	0	0	0
24.		0	0	0	0	0	0
25.		0	0	0	0	0	0
TOTALS		\$0	\$0	\$0	\$0	\$0	\$0

(To Sch 2)

STATEMENT OF REIMBURSABLE COSTS

HOME OFFICE:
CARCIDO'S HOMES, INC.FISCAL PERIOD ENDED:
MAY 31, 2012

ACCOUNT DESCRIPTION 1	REPORTED COSTS 2	COST AUDIT ADJUSTMENTS 3	AUDITED COSTS 4	DIRECT COST 5	AUDITED POOLED COSTS 6
		(Adj 2-4)	(Col 2 + Col 3)	(Adj 1)	(Col 4 - Col 5)
1. Salaries-Officers			\$0		\$0
2. Salaries-Other			0		0
3. Payroll Taxes			0		0
4. Employee Benefits			0		0
5. Travel			0		0
6. Entertainment			0		0
7. Automobile			0		0
8. Depreciation-Building			0		0
9. Depreciation-Equipment			0		0
10. Other Depreciation and Amortization			0		0
11. Leases and Rentals	1,296	2,283	3,579		3,579
12. Interest-Mortgages			0		0
13. Interest-Other			0		0
14. Taxes and Licenses			0		0
15. Legal and Accounting			0		0
16. Insurance			0		0
17. Telephone	44	700	744		744
18. Utilities	333	4,590	4,923		4,923
19. Office Supplies			0		0
20. Nonprogram			0		0
21. Other-			0		0
22. Other General & Administrative	0	11,354	11,354		11,354
23. Repairs & Maintenance			0		0
24. Dues & Subscriptions			0		0
25. Equipment Rental			0		0
26. Minor Equipment			0		0
27. Continuing Education			0		0
28. Transportation			0		0
29.			0		0
30.			0		0
31.			0		0
32.			0		0
33.			0		0
34.			0		0
TOTAL EXPENSES	\$1,674	\$18,927	\$20,601	\$0	\$20,601
				(To Sch 4)	(To Sch 3)

Provider Name							Fiscal Period	Provider NPI		Adjustments
CARCIDO'S HOMES, INC.							JUNE 1, 2011 THROUGH MAY 31, 2012	N/A		5
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	Page or Exhibit	Line	Col.	Sch.	Line	Col				
ADJUSTMENTS TO REPORTED COSTS										
1	6	1	3	4	1	3	Carcido's ICF/DDH #1	\$418	(\$418)	\$0
	6	2	3	4	2	3	Carcido's ICF/DDH #2	418	(418)	0
	6	3	3	4	3	3	Carcido's ICF/DDH #3	418	(418)	0
	6	4	3	4	4	3	Carcido's ICF/DDH #4	418	(418)	0
	2	11	6	5	11	6	Leases and Rentals	0	1,296	1,296 *
	2	17	6	5	17	6	Telephone	0	44	44 *
	2	18	6	5	18	6	Utilities	0	333	333 *
							To reclassify direct expenses to pooled for proper cost finding. 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	
CARCIDO'S HOMES, INC.							JUNE 1, 2011 THROUGH MAY 31, 2012	N/A		5	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	Page or Exhibit	Line	Col.	Sch.	Line	Col					
ADJUSTMENTS TO REPORTED POOLED COSTS											
2	2	11	6	5	11	6	Leases and Rentals	*	\$1,296	\$2,283	\$3,579
	2	17	6	5	17	6	Telephone	*	44	90	134 *
	2	18	6	5	18	6	Utilities	*	333	682	1,015 *
							To adjust reported expense to agree with the provider's record: 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				
3	Not Reported			5	22	6	Other General & Administrative		\$0	\$11,354	\$11,354
							To include pooled home office costs that were directly allocated to the facilities and not included on the Home Office cost report. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				
4	2	11	2	5	17	6	Telephone	*	\$134	\$610	\$744
	2	11	2	5	18	6	Utilities	*	1,015	3,908	4,923
							To include pooled home office costs that were directly allocated to the facilities and not included on the Home Office cost report. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				

*Balance carried forward from prior/to subsequent adjustments

Provider Name				Fiscal Period				Provider NPI		Adjustments
CARCIDO'S HOMES, INC.				JUNE 1, 2011 THROUGH MAY 31, 2012				N/A		5
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	Page or Exhibit	Line	Col.	Sch.	Line	Col				
<u>ADJUSTMENT TO REPORTED POOLED STATISTICS</u>										
5	Not Reported			3	1	2	Carcido's ICF/DDH #1	0	352,994	352,994
	Not Reported			3	2	2	Carcido's ICF/DDH #2	0	365,597	365,597
	Not Reported			3	3	2	Carcido's ICF/DDH #3	0	361,653	361,653
	Not Reported			3	4	2	Carcido's ICF/DDH #4	0	361,058	361,058
	Not Reported			3	5	2	Carcido's GUEST HOMES #3	0	200,240	200,240
	Not Reported			3	6	2	Carcido's GUEST HOMES #4	0	201,694	201,694
	Not Reported			3	7	2	J & M Homes	0	171,357	171,357
	Not Reported			5	1	1	Total - Program Services	0	2,014,593	2,014,593
	Not Reported			5	2	1	Total - Nonprogram Services	0	668,297	668,297
							To establish pooled allocation statistics for proper allocation of overhead costs and to agree with the provider's records. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2150.3, 2300, 2302.4, 2302.8, 2304, and 2306			