

**REPORT  
ON THE  
RATE SETTING AUDIT**

**THALHEIMER—ISAAC HOME  
EL CAJON, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1508821166**

**FISCAL PERIOD ENDED  
JUNE 30, 2012**

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

**Section Chief: Patricia M. Fox  
Audit Supervisor: Sergio Gonzalez  
Auditor: Scott C. Riddick**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

June 11, 2013

Jan Adams  
CFO and VP of Support Services  
Home of Guiding Hands Corporation  
1825 Gillespie Way, Suite 200  
El Cajon, CA 92020-0501

THALHEIMER—ISAAC HOME  
NATIONAL PROVIDER IDENTIFIER (NPI) 1508821166  
FISCAL PERIOD ENDED JUNE 30, 2012

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	\$	379,037	\$ 172.60
Net Audit Adjustment		(253)	(0.11)
Audited Cost/Cost Per Day	\$	<u>378,784</u>	\$ <u>172.49</u>

This audit report includes the:

1. Audit Report Schedules 1 and 2
2. Audit Adjustments Schedule

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 Fee-For-Service Rates Development 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—San Diego at (619) 688 3200.

**Originally signed by:**

Patricia M. Fox, Chief  
Audits Section—San Diego  
Financial Audits Branch

Certified

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

**Provider:**  
THALHEIMER—ISAAC HOME

**Fiscal Period:**  
JULY 1, 2011 THROUGH JUNE 30, 2012

**NPI:**  
1508821166

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

	<b>AS REPORTED</b>	<b>AS AUDITED</b>
1. Medi-Cal Client Days (Adj )	2,196	2,196
2. Medi-Cal Managed Care Days (Adj )	0	0
3. Other Client Days (Adj )	0	0
4. Total Client Days	<u>2,196</u>	<u>2,196</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>379,037</u>	\$ <u>378,784</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>172.60</u>	\$ <u>172.49</u>

**SHARE OF COST**

1. Share of Cost Audit Adjustment (Adj )	\$ <u>N/A</u>	\$ <u>0</u>
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**OVERPAYMENTS**

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

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
THALHEIMER—ISAAC HOME

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

NPI:  
1508821166

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	<b>EXPENSES: CLIENT SERVICES</b>				
	<b>Basic Facility Cost - Property Expenses</b>				
045	Depreciation and Amortization		\$ 8,050	\$	\$ 8,050
050	Leases and Rentals		422		422
055	Real Property Taxes		40		40
060	Personal Property Taxes		0		0
065	Mortgage Interest		11,542		11,542
070	Property Insurance		1,500		1,500
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 21,555	\$ 0	\$ 21,554
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance	1	\$ 4,710	\$ (250)	\$ 4,460
085	Utilities		9,312		9,312
090	Client Transportation (excluding Adult Day Services)		3,614		3,614
095	Dietary		12,343		12,343
100	Personal Care and Laundry		8,401		8,401
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 38,382	\$ (250)	\$ 38,130
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 59,936	\$ (250)	\$ 59,684
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 11,148	\$	\$ 11,148
120	QMRP Fringe Benefits		3,208		3,208
125	Lead Salaries		37,261		37,261
130	Lead Fringe Benefits		10,721		10,721
135	Aides Salaries		111,779		111,779
140	Aides Fringe Benefits		32,163		32,163
145	Other Salaries		28,273		28,273
150	Other Fringe Benefits		8,135		8,135
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 242,689	\$ 0	\$ 242,688

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
THALHEIMER—ISAAC HOME

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

NPI:  
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	<b>EXPENSES: CONSULTANT COSTS</b>				
160	Dietician Consultant		\$ 368	\$	\$ 368
165	Speech Pathology Consultant		549		549
170	Physical Therapy Consultant		827		827
175	Occupational Therapy Consultant		585		585
180	Pharmacist Consultant		681		681
185	Nurse Consultant		0		0
190	Psychologist Consultant		293		293
195	Physician Consultant		342		342
200	Recreational Consultant		0		0
205	Social Service Consultant		0		0
210	Other Consultant		275		275
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 3,919	\$ 0	\$ 3,920
	<b>EXPENSES: ADMINISTRATIVE COSTS</b>				
220	Administrative Salaries		\$ 6,916	\$	\$ 6,916
225	Administrative Fringe Benefits		2,562		2,562
226	Quality Assurance Fees (excluding Adult Day Services)		18,128		18,128
230	Other General and Administrative (excluding Adult Day Services)		44,886		44,886
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 72,492	\$ 0	\$ 72,492
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 379,037	\$ (250)	\$ 378,784
	<b>NON-CLIENT CARE EXPENSES</b>		(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)		\$ 379,037	\$ (250)	\$ 378,784

\* Totals do not foot due to the provider's rounding

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Provider Name							Fiscal Period	NPI	Adjustments	
THALHEIMER—ISAAC HOME							JULY 1, 2011 THROUGH JUNE 30, 2012	1508821166	1	
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				
<b><u>ADJUSTMENT TO REPORTED COSTS</u></b>										
1	4 of 6	080	4	2	080	Home Operations and Maintenance To eliminate souvenirs not related to patient care 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3	\$4,710	(\$250)	\$4,460	