

**REPORT ON THE
RATE SETTING AUDIT**

**HOME OF GUIDING HANDS—BERMUDA
EL CAJON, CALIFORNIA**

NATIONAL PROVIDER IDENTIFIER: 1174588677

**FISCAL PERIOD ENDED
JUNE 30, 2010**

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

**Section Chief: Patricia M. Fox
Audit Supervisor: Woosung Lee
Auditors: Jeff Cates/Elisa Diaz**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

December 20, 2011

Jan Adams
Director of Finance
Home of Guiding Hands
1825 Gillespie Way, Suite 200
El Cajon, CA 92020

HOME OF GUIDING HANDS—BERMUDA
NATIONAL PROVIDER IDENTIFIER (NPI) 1174588677
FISCAL PERIOD ENDED JUNE 30, 2010

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	\$	375,624	\$ 171.52
Net Audit Adjustment		(188)	(0.09)
Audited Cost/Cost Per Day	\$	<u>375,436</u>	\$ <u>171.43</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 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—San Diego at (619) 688-3200.

Original 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:
HOME OF GUIDING HANDS—BERMUDA

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

NPI:
1174588677

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	2,190	2,190
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	0	0
4. Total Client Days	<u>2,190</u>	<u>2,190</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>375,624</u>	\$ <u>375,436</u>
6. AVERAGE CLIENT COST PER DAY (Line 5 / Line 4)	\$ <u>171.52</u>	\$ <u>171.43</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:
HOME OF GUIDING HANDS—BERMUDA

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

NPI:
1174588677

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		\$ 10,823	\$	\$ 10,823
050	Leases and Rentals		567		567
055	Real Property Taxes		40		40
060	Personal Property Taxes				0
065	Mortgage Interest		16,645		16,645
070	Property Insurance	1	1,750	(188)	1,562
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 29,825	\$ (188)	\$ 29,637
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 8,619	\$	\$ 8,619
085	Utilities		8,635		8,635
090	Client Transportation (excluding Adult Day Services)		9,599		9,599
095	Dietary		13,356		13,356
100	Personal Care and Laundry		6,173		6,173
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 46,382	\$ 0	\$ 46,382
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 76,207	\$ (188)	\$ 76,019
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 9,679	\$	\$ 9,679
120	QMRP Fringe Benefits		3,044		3,044
125	Lead Salaries		34,866		34,866
130	Lead Fringe Benefits		10,964		10,964
135	Aides Salaries		104,730		104,730
140	Aides Fringe Benefits		32,933		32,933
145	Other Salaries		21,583		21,583
150	Other Fringe Benefits		6,787		6,787
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 224,586	\$ 0	\$ 224,586

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
HOME OF GUIDING HANDS—BERMUDA

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
EXPENSES: CONSULTANT COSTS					
160	Dietician Consultant		\$ 326	\$	\$ 326
165	Speech Pathology Consultant		830		830
170	Physical Therapy Consultant		428		428
175	Occupational Therapy Consultant		540		540
180	Pharmacist Consultant				0
185	Nurse Consultant				0
190	Psychologist Consultant				0
195	Physician Consultant		1,409		1,409
200	Recreational Consultant		311		311
205	Social Service Consultant				0
210	Other Consultant		507		507
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 4,351	\$ 0	\$ 4,351
EXPENSES: ADMINISTRATIVE COSTS					
220	Administrative Salaries		\$ 7,583	\$	\$ 7,583
225	Administrative Fringe Benefits		2,325		2,325
226	Quality Assurance Fees (excluding Adult Day Services)		17,598		17,598
230	Other General and Administrative (excluding Adult Day Services)		42,973		42,973
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 70,480	\$ 0	\$ 70,480
	TOTAL COSTS RELATED TO CLIENT CARE* (Lines 110, 155, 215 and 235)		\$ 375,624	\$ (188)	\$ 375,436
			(To Sch. 1)		(To Sch. 1)
NON-CLIENT CARE EXPENSES					
240	Non-Program Services		\$	\$	\$ 0
241	Adult Day Services and Related Transportation				0
245	TOTAL FACILITY EXPENSES* (Lines 110, 155, 215, 235, 240 and 241)		\$ 375,624	\$ (188)	\$ 375,436

* Includes \$1 variance, due to provider's rounding

Provider Name							Fiscal Period		NPI		Adjustments
HOME OF GUIDING HANDS—BERMUDA							JULY 1, 2009 THROUGH JUNE 30, 2010		1174588677		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.					
<u>ADJUSTMENT TO REPORTED COSTS</u>											
1	4 of 6	070	4	2	070	3	Property Insurance To adjust property insurance expense due to over allocation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 52000 and 52501	\$1,750	(\$188)	\$1,562	