REPORT ON THE
RATE SETTING AUDIT

HOME OF GUIDING HANDS—LOS RANCHITOS WAY
LAKESIDE, CALIFORNIA

NATIONAL PROVIDER IDENTIFIER: 1831124890

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

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

TOBY DOUGLAS
DIRECTOR

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—LOS RANCHITOS WAY
NATIONAL PROVIDER IDENTIFIER (NPI) 1831124890
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:

COST AND COST PER DAY		COST		COST PER DAY
Reported Cost/Cost Per Day	$	358,775	$	163.82
Net Audit Adjustment		(188)		(0.08)
Audited Cost/Cost Per Day	$	358,587	$	163.74

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.

Financial Audits Branch/Audits Section—San Diego
7575 Metropolitan Drive, Suite 102, San Diego, CA 92108-4421
(619) 688-3200/(619) 688-3218 fax
Internet Address: www.dhcs.ca.gov

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—LOS RANCHITOS WAY

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

NPI:
1831124890

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	2,190	2,190
5. Total Client Care Expenses (From Sch. 2)	$ 358,775	$ 358,587
6. AVERAGE CLIENT COST PER DAY (Line 5 / Line 4)	$ 163.82	$ 163.74
SHARE OF COST		
1. Share of Cost Audit Adjustment (Adj)	$ N/A	$ 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:
HOME OF GUIDING HANDS—LOS RANCHITOS WAY

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

NPI:
1831124890

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		$ 1,965	$	$ 1,965
050	Leases and Rentals		566		566
055	Real Property Taxes		112		112
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance	1	1,750	(188)	1,562
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		$ 4,393	$ (188)	$ 4,205
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		$ 7,051	$	$ 7,051
085	Utilities		6,884		6,884
090	Client Transportation (excluding Adult Day Services)		10,209		10,209
095	Dietary		9,855		9,855
100	Personal Care and Laundry		5,463		5,463
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		$ 39,462	$ 0	$ 39,462
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		$ 43,855	$ (188)	$ 43,667
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		$ 11,158	$	$ 11,158
120	QMRP Fringe Benefits		3,927		3,927
125	Lead Salaries		31,897		31,897
130	Lead Fringe Benefits		11,227		11,227
135	Aides Salaries		113,737		113,737
140	Aides Fringe Benefits		40,032		40,032
145	Other Salaries		21,745		21,745
150	Other Fringe Benefits		7,654		7,654
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		$ 241,377	$ 0	$ 241,377

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
HOME OF GUIDING HANDS—LOS RANCHITOS WAY

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

NPI:
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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		$ 305	$	$ 305
165	Speech Pathology Consultant		799		799
170	Physical Therapy Consultant		537		537
175	Occupational Therapy Consultant		1,305		1,305
180	Pharmacist Consultant				0
185	Nurse Consultant				0
190	Psychologist Consultant		335		335
195	Physician Consultant		311		311
200	Recreational Consultant				0
205	Social Service Consultant				0
210	Other Consultant		504		504
215	TOTAL CONSULTANT COST (Lines 160 through 210)		$ 4,096	$ 0	$ 4,096
	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)		16,566		16,566
230	Other General and Administrative (excluding Adult Day Services)		42,973		42,973
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		$ 69,447	$ 0	$ 69,447
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		$ 358,775	$ (188)	$ 358,587
			(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)		$ 358,775	$ (188)	$ 358,587

Provider Name	Fiscal Period	NPI	Adjustments
HOME OF GUIDING HANDS—LOS RANCHITOS WAY	JULY 1, 2009 THROUGH JUNE 30, 2010	1831124890	1

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
							ADJUSTMENT TO REPORTED COSTS			
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