

**REPORT ON THE  
RATE SETTING AUDIT**

**HOME OF GUIDING HANDS—REGINAS COURT  
SANTEE, CALIFORNIA**

**NATIONAL PROVIDER IDENTIFIER: 1225092661**

**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—REGINAS COURT  
NATIONAL PROVIDER IDENTIFIER (NPI) 1225092661  
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	\$	358,403	\$ 196.38
Net Audit Adjustment		(3,565)	(1.95)
Audited Cost/Cost Per Day	\$	<u>354,838</u>	\$ <u>194.43</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—REGINAS COURT

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

**NPI:**  
1225092661

**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 )	1,825	1,825
2. Medi-Cal Managed Care Days (Adj )	0	0
3. Other Client Days (Adj )	0	0
4. Total Client Days	<u>1,825</u>	<u>1,825</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>358,403</u>	\$ <u>354,838</u>
6. AVERAGE CLIENT COST PER DAY (Line 5 / Line 4)	\$ <u>196.38</u>	\$ <u>194.43</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—REGINAS COURT

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

NPI:  
1225092661

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		\$ 4,538	\$	\$ 4,538
050	Leases and Rentals		566		566
055	Real Property Taxes		121		121
060	Personal Property Taxes				0
065	Mortgage Interest		11,780		11,780
070	Property Insurance	1	2,140	(188)	1,952
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 19,145	\$ (188)	\$ 18,957
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance		\$ 10,987	\$	\$ 10,987
085	Utilities		6,882		6,882
090	Client Transportation (excluding Adult Day Services)		8,533		8,533
095	Dietary		12,235		12,235
100	Personal Care and Laundry		5,900		5,900
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 44,537	\$ 0	\$ 44,537
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 63,682	\$ (188)	\$ 63,494
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 11,259	\$	\$ 11,259
120	QMRP Fringe Benefits		3,434		3,434
125	Lead Salaries		37,207		37,207
130	Lead Fringe Benefits		11,348		11,348
135	Aides Salaries		108,851		108,851
140	Aides Fringe Benefits		33,199		33,199
145	Other Salaries		17,933		17,933
150	Other Fringe Benefits		5,470		5,470
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)*		\$ 228,700	\$ 0	\$ 228,700

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

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
HOME OF GUIDING HANDS—REGINAS COURT

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

NPI:  
1225092661

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		\$ 305	\$	\$ 305
165	Speech Pathology Consultant		1,460		1,460
170	Physical Therapy Consultant		58		58
175	Occupational Therapy Consultant		1,170		1,170
180	Pharmacist Consultant				0
185	Nurse Consultant				0
190	Psychologist Consultant		911		911
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)*		\$ 4,720	\$ 0	\$ 4,720
<b>EXPENSES: ADMINISTRATIVE COSTS</b>					
220	Administrative Salaries		\$ 6,319	\$	\$ 6,319
225	Administrative Fringe Benefits		1,937		1,937
226	Quality Assurance Fees (excluding Adult Day Services)	4	7,311	5,628	12,939
230	Other General and Administrative (excluding Adult Day Services)	2 & 3	45,733	(9,005)	36,728
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)*		\$ 61,301	\$ (3,377)	\$ 57,924
	TOTAL COSTS RELATED TO CLIENT CARE* (Lines 110, 155, 215 and 235)		\$ 358,403	\$ (3,565)	\$ 354,838
			(To Sch. 1)		(To Sch. 1)
<b>NON-CLIENT CARE EXPENSES</b>					
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)		\$ 358,403	\$ (3,565)	\$ 354,838

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

Provider Name							Fiscal Period	NPI		Adjustments
HOME OF GUIDING HANDS—REGINAS COURT							JULY 1, 2009 THROUGH JUNE 30, 2010	1225092661		4
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>ADJUSTMENTS TO REPORTED COSTS</u></b>										
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	\$2,140	(\$188)	\$1,952
2	4.1 of 6	230	4	2	230	3	Other General and Administrative To eliminate facility license fees paid not applicable to fiscal period under review. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.2, 2300, 2302.1, and 2304	\$45,733	(\$5,628)	\$40,105 *
3	4.1 of 6	230	4	2	230	3	Other General and Administrative To eliminate late penalties not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2122.1	* \$40,105	(\$3,377)	\$36,728
4	4.1 of 6	226	4	2	226	3	Quality Assurance Fees To adjust quality assurance fees per provider's general ledger. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 52100, 52101 and 52506	\$7,311	\$5,628	\$12,939

\*Balance carried forward from prior/to subsequent adjustments