

**REPORT
ON THE
RATE SETTING AUDIT**

**PATE AND INGRAM HOME I
INGLEWOOD, CALIFORNIA
PROVIDER NUMBER: LTC60906F
NATIONAL PROVIDER IDENTIFIER: 1982812194**

**FISCAL PERIOD ENDED
DECEMBER 31, 2010**

**Audits Section - Gardena
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Maria Delgado
Audit Supervisor: Cyrus Lam
Auditor: Diem Mi Ly**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

November 3, 2011

Alma Ingram, Administrator
Pate and Ingram Home I
11129 Haas Avenue
Los Angeles, CA 90047

PROVIDER: PATE AND INGRAM HOME I
PROVIDER NUMBER: LTC60906F
NATIONAL PROVIDER IDENTIFIER: 1982812194
FISCAL PERIOD ENDED: DECEMBER 31, 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	\$	284,751		\$ 195.03
Net Audit Adjustment		<u>1,475</u>		<u>1.02</u>
Audited Cost/Cost Per Day	\$	<u>286,226</u>		\$ <u>196.05</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 Rate Development Branch.

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.

Alma Ingram
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If you have questions regarding this report, you may call the Audits Section—Gardena at (310) 516-4757.

Original Signed By:

Maria Delgado, Chief
Audits Section—Gardena
Financial Audits Branch

Certified

cc: Maggie Briones, Consultant
Pate and Ingram Home I
13349 Ebell Street
Van Nuys, CA 91402

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

Provider:
PATE AND INGRAM HOME I

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1982812194

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,460	1,460
2. Medi-Cal Managed Care Days (Adj)	0	0
3. Other Client Days (Adj)	0	0
4. Total Client Days	<u>1,460</u>	<u>1,460</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>284,751</u>	\$ <u>286,226</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>195.03</u>	\$ <u>196.05</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>NA</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:
PATE AND INGRAM HOME I

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1982812194

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		\$ 0	\$	\$ 0
050	Leases and Rentals		0		0
055	Real Property Taxes		3,176		3,176
060	Personal Property Taxes		0		0
065	Mortgage Interest		6,734		6,734
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 9,910	\$ 0	\$ 9,910
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	1	\$ 7,876	\$ (580)	\$ 7,296
085	Utilities		4,528		4,528
090	Client Transportation (excluding Adult Day Services)	2,7	1,163	(1,099)	64
095	Dietary		11,735		11,735
100	Personal Care and Laundry		2,492		2,492
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 27,794	\$ (1,679)	\$ 26,115
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 37,704	\$ (1,679)	\$ 36,025
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 19,056	\$	\$ 19,056
120	QMRP Fringe Benefits		0		0
125	Lead Salaries		0		0
130	Lead Fringe Benefits		0		0
135	Aides Salaries		126,103		126,103
140	Aides Fringe Benefits		22,365		22,365
145	Other Salaries		11,868		11,868
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 179,392	\$ 0	\$ 179,392

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
PATE AND INGRAM HOME I

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1982812194

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant	5	\$ 950	\$ 188	\$ 1,138
165	Speech Pathology Consultant		762		762
170	Physical Therapy Consultant		893		893
175	Occupational Therapy Consultant		803		803
180	Pharmacist Consultant		260		260
185	Nurse Consultant		7,705		7,705
190	Psychologist Consultant	6	980	(205)	775
195	Physician Consultant		0		0
200	Recreational Consultant		0		0
205	Social Service Consultant		0		0
210	Other Consultant		0		0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 12,353	\$ (17)	\$ 12,336
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries **		\$ 29,500		\$ 29,500
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees (excluding Adult Day Services)		10,479		10,479
230	Other General and Administrative*** (Excluding Adult Day Services)	3,4	15,323	3,171	18,494
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 55,302	\$ 3,171	\$ 58,473
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 284,751	\$ 1,475	\$ 286,226
	NON-CLIENT CARE EXPENSES		(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)		\$ 284,751	\$ 1,475	\$ 286,226

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** List only direct administrative salaries incurred at the facility level

*** List allocated administrative costs on Line 230

Provider Name		Fiscal Period				Provider NPI		Adjustments	
PATE AND INGRAM HOME I		JANUARY 1, 2010 THROUGH DECEMBER 31, 2010				1982812194			
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted	
		Line	Col.	Line	Col				
ADJUSTMENTS TO REPORTED COSTS									
1	4	80	4	2	80	\$7,876	(\$580)	\$7,296	
Home Operations and Maintenance To adjust home operations and maintenance expenses to agree with the provider's invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304									
2	4	90	4	2	90	\$1,163	(\$310)	\$853 *	
Client Transportation To adjust client transportation expenses to agree with the provider's supporting documents. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304									
3	4.1	230	4	2	230	\$15,323	(\$740)	\$14,583 *	
Other General and Administrative To adjust accounting and legal fee expenses to agree with the provider's invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304									
4	4.1	230	4	2	230	\$14,583	\$3,911	\$18,494	
Other General and Administrative To adjust liability insurance expenses to agree with the provider's invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304									
5	4.1	160	4	2	160	\$950	\$188	\$1,138	
Dietitian Consultant To adjust dietitian consultant expenses to agree with the provider's invoices. 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						
PATE AND INGRAM HOME I		JANUARY 1, 2010 THROUGH DECEMBER 31, 2010		1982812194		7						
Adj. No.	DHS 3076 Page or Exhibit	Report References		Line	Col.	Sch.	Line	Col.	As Reported	Increase (Decrease)	As Adjusted	
		Cost Report	Audit Report									
6	4.1	190	4	2	190				\$980	(\$205)	\$775	
Psychologist Consultant To adjust psychologist consultant expenses to agree with the provider's invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304												
7	4	90	4	2	90				\$853	(\$789)	\$64	
Client Transportation To eliminate transportation expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304												

ADJUSTMENTS TO REPORTED COSTS

*Balance carried forward from prior/to subsequent adjustments