

**REPORT  
ON THE  
RATE SETTING AUDIT**

**WINDSOR HOUSE  
YUCAIPA, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1588704084**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2010**

**Audits Section—Rancho Cucamonga  
Financial Audits Branch  
Audits and Investigations  
Department of Health Care Services**

**Section Chief: Julio M. Cueto  
Audit Supervisor: Virat Shah  
Auditor: Manny Tria**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

December 29, 2011

Jonathan Joseph, President  
JonBec Care, Inc.  
1711 Plum Lane, Suite A  
Redlands, CA 92374

WINDSOR HOUSE  
NATIONAL PROVIDER IDENTIFIER (NPI) 1588704084  
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 and patient days 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	\$	329,789	\$ 159.63
Net Audit Adjustment		<u>2,973</u>	<u>1.44</u>
Audited Cost/Cost Per Day	\$	<u>332,762</u>	\$ <u>161.07</u>

This audit report includes the:

1. Audit Report Schedules 1 and 2
2. Audit Adjustments Schedule
3. Audited Allocation of Home Office Cost

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.

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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.

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If you have questions regarding this report, you may call the Audits Section—Rancho Cucamonga at (909) 481-3420.

Original Signed By

Julio M. Cueto, Chief  
Audits Section—Rancho Cucamonga  
Financial Audits Branch

Certified

cc: Cindy Collins, Treasurer  
JonBec Care, Inc.  
22421 Barton Road, #173  
Grand Terrace, CA 92313

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

**Provider:**  
WINDSOR HOUSE

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

**Provider NPI:**  
1588704084

<b>SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY</b>	<b>AS REPORTED</b>	<b>AS AUDITED</b>
1. Medi-Cal Client Days (Adj )	2,066	2,066
2. Medi-Cal Managed Care Days (Adj )		0
3. Other Client Days (Adj )		0
4. Total Client Days	<u>2,066</u>	<u>2,066</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>329,789</u>	\$ <u>332,762</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>159.63</u>	\$ <u>161.07</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>          </u>	\$ <u>0</u>
2. Credit Balances (Adj )	\$ <u>          </u>	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
WINDSOR HOUSE

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

Provider NPI:  
1588704084

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	2	\$ 2,082	\$ 3,305	\$ 5,387
050	Leases and Rentals				0
055	Real Property Taxes		2,468		2,468
060	Personal Property Taxes				0
065	Mortgage Interest		10,644		10,644
070	Property Insurance		1,122		1,122
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 16,316	\$ 3,305	\$ 19,621
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance	1	\$ 8,497	952	\$ 9,449
085	Utilities		8,321		8,321
090	Client Transportation (excluding Adult Day Services)				0
095	Dietary		10,614		10,614
100	Personal Care and Laundry	1,3	3,842	(1,083)	2,759
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 31,274	\$ (131)	\$ 31,143
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 47,590	\$ 3,174	\$ 50,764
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 15,909		\$ 15,909
120	QMRP Fringe Benefits		3,624		3,624
125	Lead Salaries		25,278		25,278
130	Lead Fringe Benefits		5,758		5,758
135	Aides Salaries		95,032		95,032
140	Aides Fringe Benefits		21,645		21,645
145	Other Salaries		9,517		9,517
150	Other Fringe Benefits		2,168		2,168
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 178,931	\$ 0	\$ 178,931

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
WINDSOR HOUSE

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

Provider NPI:  
1588704084

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		\$ 1,056	\$	\$ 1,056
165	Speech Pathology Consultant		900		900
170	Physical Therapy Consultant		1,800		1,800
175	Occupational Therapy Consultant		1,041		1,041
180	Pharmacist Consultant		720		720
185	Nurse Consultant				0
190	Psychologist Consultant		1,190		1,190
195	Physician Consultant		3,000		3,000
200	Recreational Consultant		1,920		1,920
205	Social Service Consultant				0
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 11,627	\$ 0	\$ 11,627
<b>EXPENSES: ADMINISTRATIVE COSTS</b>					
220	Administrative Salaries **		\$	\$	\$ 0
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees (excluding Adult Day Services)		18,544		18,544
230	Other General and Administrative*** Adult Day Services	(Excluding 4	73,097	(201)	72,896
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 91,641	\$ (201)	\$ 91,440
TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)			\$ 329,789	\$ 2,973	\$ 332,762
<b>NON-CLIENT CARE EXPENSES</b>			(To Sch. 1)		(To Sch. 1)
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)		\$ 329,789	\$ 2,973	\$ 332,762

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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	
WINDSOR HOUSE		JANUARY 1, 2010 THROUGH DECEMBER 31, 2010				1588704084		4	
Adj. No.	DHS 3076 Page or Exhibit	Report References			Audit Report		As Reported	Increase (Decrease)	As Adjusted
		Line	Col.	Sch.	Line	Col			
1	4	080	4	2	080	3	\$8,497	\$9,449	
	4	100	4	2	100	3	3,842	(952)	2,890 *
<p><b>RECLASSIFICATION OF REPORTED COSTS</b></p> <p>Home Operations and Maintenance                      Personal Care and Laundry                      To reclassify housekeeping expenses to the appropriate cost center.                      42 CFR 413.20 and 413.24                      CMS Pub. 15-1, Sections 2300, 2302.4, 2302.8, and 2304</p>									

\*Balance carried forward from prior/to subsequent adjustments

Provider Name		Fiscal Period				Provider NPI		Adjustments	
WINDSOR HOUSE		JANUARY 1, 2010 THROUGH DECEMBER 31, 2010				1588704084		4	
Adj. No.	DHS 3076 Page or Exhibit	Report References				AS Reported	Increase (Decrease)	AS Adjusted	
		Line	Col.	Sch.	Line				
<b>ADJUSTMENTS TO REPORTED COSTS</b>									
2	4	045	4	2	045	3	\$2,082	\$3,305	\$5,387
Depreciation and Amortization To adjust depreciation of the building to agree with the audit findings. 42 CFR 413.20, 413.24, 413.50, and 413.134 CMS Pub. 15-1, Sections 102, 2300, 2302.4, and 2304									
3	4	100	4	2	100	3	\$2,890	(\$131)	\$2,759
Personal Care and Laundry To eliminate Disneyland ticket expenses not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3									
4	4.1	230	4	2	230	3	\$73,097	(\$201)	\$72,896
Other General and Administrative To adjust reported home office costs to agree with JonBec Care, Inc. Home Office Audit Report for fiscal period ended December 31, 2010. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304									

\*Balance carried forward from prior/to subsequent adjustments