

**REPORT
ON THE
RATE SETTING AUDIT
UCP/SCF MAX FACTOR HOUSE
CHATSWORTH, CALIFORNIA
PROVIDER NUMBERS: LTC80052F / NPI 1003068594
FISCAL PERIOD ENDED
JUNE 30, 2010**

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

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Debra K. Blake
Auditor: Loan Vuong**



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



EDMUND G. BROWN JR.
GOVERNOR

July 19, 2011

James P. Hudson
Chief Financial Officer
UCP/SCF of Los Angeles and Ventura Counties
6430 Independence Avenue
Woodland Hills, CA 91367

UCP/SCF MAX FACTOR HOUSE
PROVIDER NUMBERS LTC80052F / NPI 1003068594
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 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	\$	675,764	\$ 310.13
Net Audit Adjustment		(356)	(0.17)
Audited Cost/Cost Per Day	\$	<u>675,408</u>	\$ <u>309.96</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.

James P. Hudson
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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.

If you have questions regarding this report, you may call the Audits Section—Burbank at (818) 295-2620.

Original Signed By

Daniel J. Giardinelli, Chief
Audits Section—Burbank
Financial Audits Branch

Certified

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

Provider:
UCP/SCF MAX FACTOR HOUSE

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

Provider Number:
LTC80052F

Provider NPI:
1003068594

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	2,149	2,149
2. Other Client Days (Adj)	30	30
3. Total Client Days	<u>2,179</u>	<u>2,179</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>675,764</u>	\$ <u>675,408</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>310.13</u>	\$ <u>309.96</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>0</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:
UCP/SCF MAX FACTOR HOUSE

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

Provider Number:
LTC80052F

NPI:
1003068594

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 & 2	\$ 25,347	\$ (3,180)	\$ 22,167
050	Leases and Rentals		0		0
055	Real Property Taxes		307		307
060	Personal Property Taxes		0		0
065	Mortgage Interest		0		0
070	Property Insurance		1,109		1,109
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 26,763	\$ (3,180)	\$ 23,583
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 6,993	\$	\$ 6,993
085	Utilities		8,020		8,020
090	Client Transportation	1	1,258	2,824	4,082
095	Dietary		20,818		20,818
100	Personal Care and Laundry		18,796		18,796
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 55,885	\$ 2,824	\$ 58,709
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 82,648	\$ (356)	\$ 82,292
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 11,383	\$	\$ 11,383
120	QMRP Fringe Benefits		3,466		3,466
125	Lead Salaries		30,473		30,473
130	Lead Fringe Benefits		10,745		10,745
135	Aides Salaries		178,530		178,530
140	Aides Fringe Benefits		57,487		57,487
145	Other Salaries		24,014		24,014
150	Other Fringe Benefits		8,067		8,067
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 324,165	\$ 0	\$ 324,165

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UCP/SCF MAX FACTOR HOUSE

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		\$ 1,155	\$	\$ 1,155
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		0		0
175	Occupational Therapy Consultant		2,606		2,606
180	Pharmacist Consultant		123		123
185	Nurse Consultant		145,663		145,663
190	Psychologist Consultant		2,044		2,044
195	Physician Consultant		0		0
200	Recreational Consultant		0		0
205	Social Service Consultant		4,755		4,755
210	Other Consultant		330		330
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 156,676	\$ 0	\$ 156,676
EXPENSES: ADMINISTRATIVE COSTS					
220	Administrative Salaries		\$ 20,930	\$	\$ 20,930
225	Administrative Fringe Benefits		6,422		6,422
226	Quality Assurance Fees		25,344		25,344
230	Other Administrative and General		59,579		59,579
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 112,275	\$ 0	\$ 112,275
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 675,764	\$ (356)	\$ 675,408
			(To Sch. 1)		(To Sch. 1)
NON-CLIENT CARE EXPENSES					
240	Non-Program Services		\$ 0	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 675,764	\$ (356)	\$ 675,408

Provider Name		Fiscal Period		Provider Number		Adjustments				
UCP/SCF MAX FACTOR HOUSE		JULY 1, 2009 THROUGH JUNE 30, 2010		LTC80052F		2				
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted		
		Line	Col.	Sch.	Line				Col.	
1	4	045	4	2	45.00	2	Depreciation and Amortization	\$25,347	(\$2,824)	\$22,523 *
	4	090	4	2	90.00	2	Client Transportation	1,258	2,824	4,082
To adjust the provider's reclassified amounts for the van depreciation expenses for proper cost determination. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304										
2	4	045	4	2	45.00	2	Depreciation and Amortization	\$22,523	(\$356)	\$22,167
To adjust plasma television depreciation expense for a change in useful life to agree with the American Hospital Association Guidelines. 42 CFR 413.20 and 413.134(b)(7) CMS Pub. 15-1, Sections 104.17 and 104.18										

*Balance carried forward from prior/to subsequent adjustments