

**REPORT  
ON THE  
RATE SETTING AUDIT**

**TEMPLE GARDEN HOMES II  
LOS ANGELES, CALIFORNIA  
PROVIDER NPI: 1699813402**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2010**

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

**Section Chief: Daniel J. Giardinelli  
Audit Supervisor: Celia Avina  
Auditor: Kit Chao**



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



EDMUND G. BROWN JR.  
GOVERNOR

December 20, 2011

Flora I. Pilpa, President  
Temple Garden Homes  
5120 Baldwin Avenue  
Temple City, California 91780

PROVIDER: TEMPLE GARDEN HOMES II  
PROVIDER NPI: 1699813402  
FISCAL PERIOD ENDED DECEMBER 31, 2010

We have examined the facility's financial records/Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from Share of Cost. 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	\$	314,744	\$ 177.12
Net Audit Adjustment		<u>(9,270)</u>	<u>(5.60)</u>
Audited Cost/Cost Per Day	\$	<u>305,474</u>	\$ <u>171.52</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.

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:**  
TEMPLE GARDEN HOMES II

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

**Provider NPI:**  
1699813402

**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 5)	1,777	1,781
2. Medi-Cal Managed Care Days (Adj )	0	0
3. Other Client Days (Adj )	0	0
4. Total Client Days	<u>1,777</u>	<u>1,781</u>
5. Total Client Care Expenses (From Sch. 2)	\$ <u>314,744</u>	\$ <u>305,474</u>
6. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>177.12</u>	\$ <u>171.52</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:  
TEMPLE GARDEN HOMES II

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

Provider NPI:  
1699813402

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		\$ 0	\$	\$ 0
050	Leases and Rentals		0		0
055	Real Property Taxes	3	5,576	(2,948)	2,628
060	Personal Property Taxes		0		0
065	Mortgage Interest		5,018		5,018
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 10,594	\$ (2,948)	\$ 7,646
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance		\$ 16,859	\$	\$ 16,859
085	Utilities		4,491		4,491
090	Client Transportation (excluding Adult Day Services)	1	7,946	(2,324)	5,622
095	Dietary		14,875		14,875
100	Personal Care and Laundry		5,024		5,024
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 49,195	\$ (2,324)	\$ 46,871
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 59,789	\$ (5,272)	\$ 54,517
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 11,726	\$	\$ 11,726
120	QMRP Fringe Benefits		2,126		2,126
125	Lead Salaries		67,052		67,052
130	Lead Fringe Benefits		12,187		12,187
135	Aides Salaries		34,472		34,472
140	Aides Fringe Benefits		6,230		6,230
145	Other Salaries		11,701		11,701
150	Other Fringe Benefits		2,098		2,098
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 147,592	\$ 0	\$ 147,592

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
TEMPLE GARDEN HOMES II

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

Provider NPI:  
1699813402

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		\$ 100	\$	\$ 100
165	Speech Pathology Consultant		381		381
170	Physical Therapy Consultant	4	657	(220)	437
175	Occupational Therapy Consultant		625		625
180	Pharmacist Consultant		0		0
185	Nurse Consultant		31,617		31,617
190	Psychologist Consultant		0		0
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)		\$ 33,380	\$ (220)	\$ 33,160
<b>EXPENSES: ADMINISTRATIVE COSTS</b>					
220	Administrative Salaries **		\$ 24,200	\$	\$ 24,200
225	Administrative Fringe Benefits		4,390		4,390
226	Quality Assurance Fees (excluding Adult Day Services)		21,626		21,626
230	Other General and Administrative*** (Excluding Adult Day Services)	2	23,767	(3,778)	19,989
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 73,983	\$ (3,778)	\$ 70,205
TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)			\$ 314,744	\$ (9,270)	\$ 305,474
			(To Sch. 1)		(To Sch. 1)
<b>NON-CLIENT CARE EXPENSES</b>					
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)		\$ 314,744	\$ (9,270)	\$ 305,474

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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					
TEMPLE GARDEN HOMES II		JANUARY 1, 2010 THROUGH DECEMBER 31, 2010				1699813402		5					
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		Line	Sch.	Col.	Col	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
		Cost Report	Line	Col.	Line								
1	4	090	4	2	090	2				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	\$7,946	(\$2,324)	\$5,622
2	4.1	230	4	2	230	2				Other General and Administrative To eliminate tax and advertising expenses due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)	\$23,767	(\$3,778)	\$19,989
3	4	055	4	2	055	2				Real Property Taxes To adjust the reported property tax expenses to agree with the provider's property tax invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$5,576	(\$2,948)	\$2,628
4	4.1	170	4	2	170	2				Physical Therapy Consultant To eliminate physical therapy expense not applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304 and 2306	\$657	(\$220)	\$437

Provider Name		Fiscal Period		Provider NPI		Adjustments					
TEMPLE GARDEN HOMES II		JANUARY 1, 2010 THROUGH DECEMBER 31, 2010		1699813402		5					
Adj. No.	DHS 3076 Page or Exhibit	Report References		Line	Sch.	Col.	Line	Col.	As Reported	Increase (Decrease)	As Adjusted
		Cost Report	Audit Report								
5	2	3	1	1	1	1	1	1	1,777	4	1,781
<p style="text-align: center;"><b>ADJUSTMENT TO REPORTED PATIENT DAYS</b></p> <p>Medi-Cal Client Days                      To adjust client days to agree with the provider's census records and Medi-Cal Paid Claims Summary Report.                      42 CFR 413.20, 413.24, and 413.50                      CMS Pub. 15-1, Sections 2205, 2300 and 2304</p>											