

**REPORT
ON THE
RATE SETTING AUDIT**

**C.C.I., INC.-STANLEY HOUSE
DUBLIN, CALIFORNIA
PROVIDER NUMBER: LTC60320F**

**FISCAL PERIOD ENDED
MARCH 31, 2007**

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

**Section Chief: Louise Wong
Audit Supervisor: Arlene Chau
Auditor: Atour Malko**



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



ARNOLD SCHWARZENEGGER
Governor

August 29, 2008

Daniel J. Fisher, Administrator
C.C.I., Inc.-Stanley House
6670 Amador Plaza Road #B
Dublin, CA 94568

PROVIDER: C.C.I., INC. - STANLEY HOUSE
PROVIDER NO. LTC60320F
FISCAL PERIOD ENDED MARCH 31, 2007

We have examined the facility's 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	\$	396,206	\$ 180.92
Net Audit Adjustment		<u>0.00</u>	<u>0.00</u>
Audited Cost/Cost Per Day	\$	<u>396,206</u>	\$ <u>180.92</u>

This audit report includes the:

1. Audit Report Schedules 1 through 3
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.

Daniel J. Fisher
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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:

William Alameda, Chief
Office of Administrative Appeals and Hearings
1029 J Street, Suite 200
Sacramento, CA 95814-2825
(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
P.O. Box 997413
Sacramento, CA 95899-7413

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 95814-5005
(916) 440-7745

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—Richmond at (510) 620-3100.

Original Signed By

Louise Wong, Chief
Audits Section—Richmond
Financial Audits Branch

Certified

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

Provider:
C.C.I., INC.-STANLEY HOUSE

Fiscal Period:
APRIL 1, 2006 THROUGH MARCH 31, 2007

Provider Number:
LTC60320F

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	2,190	2,190
2. Other Client Days (Adj)	0	0
3. Total Client Days	<u>2,190</u>	<u>2,190</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>396,206</u>	\$ <u>396,206</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>180.92</u>	\$ <u>180.92</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:
C.C.I., INC.-STANLEY HOUSE

Fiscal Period:
APRIL 1, 2006 THROUGH MARCH 31, 2007

Provider Number:
LTC60320F

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 1,612	\$	\$ 1,612
050	Leases and Rentals		58,500		58,500
055	Real Property Taxes		1,459		1,459
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance		4,922		4,922
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 66,493	\$ 0	\$ 66,493
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 9,428	\$	\$ 9,428
085	Utilities		5,891		5,891
090	Client Transportation		163		163
095	Dietary		8,693		8,693
100	Personal Care and Laundry		6,407		6,407
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 30,582	\$ 0	\$ 30,582
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 97,075	\$ 0	\$ 97,075
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 25,819	\$	\$ 25,819
120	QMRP Fringe Benefits		2,077		2,077
125	Lead Salaries		23,019		23,019
130	Lead Fringe Benefits		1,964		1,964
135	Aides Salaries		125,393		125,393
140	Aides Fringe Benefits		23,453		23,453
145	Other Salaries				0
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 201,725	\$ 0	\$ 201,725

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
C.C.I., INC.-STANLEY HOUSE

Fiscal Period:
APRIL 1, 2006 THROUGH MARCH 31, 2007

Provider Number:
LTC60320F

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 199	\$	\$ 199
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		87		87
175	Occupational Therapy Consultant				0
180	Pharmacist Consultant		693		693
185	Nurse Consultant		13,940		13,940
190	Psychologist Consultant		2,880		2,880
195	Physician Consultant		492		492
200	Recreational Consultant		2,038		2,038
205	Social Service Consultant				0
210	Other Consultant		300		300
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 20,629	\$ 0	\$ 20,629
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$	\$	0
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees		22,990		22,990
230	Other Administrative and General		53,787		53,787
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 76,777	\$ 0	\$ 76,777
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 396,206	\$ 0	\$ 396,206
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 396,206	\$ 0	\$ 396,206

SUMMARY OF AUDITED LABOR REPORT

Provider:
C.C.I., INC.-STANLEY HOUSE

Fiscal Period:
APRIL 1, 2006 THROUGH MARCH 31, 2007

Provider Number:
LTC60320F

Line No.	Description	AS AUDITED			Average Hourly Wage (Col 2 / Col 3)
		(1) Benefits	(2) Salaries	(3) Total Hours (Adj 1)	
	DIRECT CARE STAFF				
		(From Sch. 2)	(From Sch. 2)		
1	QMRP	\$ 2,077	\$ 25,819	637	\$ 40.53
2	Lead	1,964	23,019	1,620	14.21
3	Aides	23,453	125,393	13,484	9.30
4	Other	0	0		0.00
5	TOTAL DIRECT CARE (Lines 1 through 4)	\$ 27,494	\$ 174,231	15,741	
	CONSULTANT STAFF				
6	Dietician	\$	\$ 199	11	\$ 18.09
7	Speech Pathology				0.00
8	Physical Therapy		87	2	43.50
9	Occupational Therapy				0.00
10	Pharmacist		693	9	77.00
11	Nurse		13,940	310	44.97
12	Psychologist		2,880	36	80.00
13	Physician		492	20	24.60
14	Recreational		2,038	27	75.48
15	Social Service				0.00
16	Other		300	6	50.00
17	TOTAL CONSULTANT (Lines 6 through 16)	\$ 0	\$ 20,629	421	
	ADMINISTRATIVE STAFF				
18	Administrative Staff	\$	\$		\$ 0.00
19	TOTAL STAFF (Lines 5, 17, 18)	\$ 27,494	\$ 194,860	16,162	

Provider Name		Fiscal Period		Provider Number		Adjustment	
C.C.I., INC.-STANLEY HOUSE		APRIL 1, 2006 THROUGH MARCH 31, 2007		LTC60320F		1	
Adj. No.	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted
	Cost Report	Line	Col.	Sch			
	DHS 3076 Page or Exhibit						
1	6 of 6	3	3	3	14,000	(516)	13,484
	6 of 6	5	3	3	16,257	(516)	15,741
	6 of 6	19	3	3	16,678	(516)	16,162
<p style="text-align: center;">Explanation of Audit Adjustments ADJUSTMENT TO THE LABOR REPORT</p> <p>Aides Total Direct Care Total Staff</p> <p>To adjust the reported Aides hours to agree with provider's records. CMS Pub 15-1, Section 2304</p>							