

**REPORT ON THE  
RATE SETTING AUDIT**

**HOME OF GUIDING HANDS—VERBECK  
EL CAJON, CALIFORNIA  
PROVIDER NUMBER: LTC60074F  
NATIONAL PROVIDER IDENTIFIER: 1952362758**

**FISCAL PERIOD ENDED  
JUNE 30, 2008**

**Audits Section—San Diego  
Financial Audits Branch  
Audits and Investigations  
Department of Health Care Services**

**Section Chief: Patricia M. Fox  
Audit Supervisor: Sergio Gonzalez  
Auditors: Scott C. Riddick/Ally Zhang**



DAVID MAXWELL-JOLLY  
Director

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



ARNOLD SCHWARZENEGGER  
Governor

December 10, 2009

Jan Adams  
Director of Financial Services  
Home of Guiding Hands Corporation  
1825 Gillespie Way, Suite 200  
El Cajon, CA 92020

HOME OF GUIDING HANDS—VERBECK  
PROVIDER NUMBER LTC60074F  
NATIONAL PROVIDER IDENTIFIER (NPI) 1952362758  
FISCAL PERIOD ENDED JUNE 30, 2008

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	\$	439,291	\$ 201.97
Net Audit Adjustment		<u>0</u>	<u>0</u>
Audited Cost/Cost Per Day	\$	<u>439,291</u>	\$ <u>201.97</u>

This audit report includes Schedules 1 and 2.

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.

Jan Adams  
Page 2

If you have questions regarding this report, you may call the Audits Section—San Diego at (619) 688-3200.

Original Signed By

Patricia M. Fox, Chief  
Audits Section—San Diego  
Financial Audits Branch

Certified

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

**Provider:**  
HOME OF GUIDING HANDS—VERBECK

**Fiscal Period:**  
JULY 1, 2007 THROUGH JUNE 30, 2008

**Provider Number:**  
LTC60074F

**Provider NPI:**  
1952362758

**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 )	2,175	2,175
2. Other Client Days (Adj )	0	0
3. Total Client Days	<u>2,175</u>	<u>2,175</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>439,291</u>	\$ <u>439,291</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>201.97</u>	\$ <u>201.97</u>

**SHARE OF COST**

1. Share of Cost Audit Adjustment (Adj )	\$ <u>N/A</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:  
HOME OF GUIDING HANDS—VERBECK

Fiscal Period:  
JULY 1, 2007 THROUGH JUNE 30, 2008

Provider Number:  
LTC60074F

Provider NPI:  
1952362758

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CLIENT SERVICES</b>				
	<b>Basic Facility Cost - Property Expenses</b>				
045	Depreciation and Amortization		\$ 9,776	\$	\$ 9,776
050	Leases and Rentals		881		881
055	Real Property Taxes		0		0
060	Personal Property Taxes		0		0
065	Mortgage Interest		16,759		16,759
070	Property Insurance		2,815		2,815
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 30,230	\$ 0	\$ 30,230
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance		\$ 11,397	\$	\$ 11,397
085	Utilities		8,462		8,462
090	Client Transportation		9,347		9,347
095	Dietary		15,668		15,668
100	Personal Care and Laundry		8,726		8,726
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 53,600	\$ 0	\$ 53,600
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 83,830	\$ 0	\$ 83,830
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 10,800	\$	\$ 10,800
120	QMRP Fringe Benefits		3,400		3,400
125	Lead Salaries		39,664		39,664
130	Lead Benefits		12,485		12,485
135	Aides Salaries		124,019		124,019
140	Aides Benefits		39,038		39,038
145	Other Salaries		36,612		36,612
150	Other Benefits		11,525		11,525
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 277,543	\$ 0	\$ 277,543

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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CONSULTANT COSTS</b>				
160	Dietician Consultant		\$ 306	\$	\$ 306
165	Speech Pathology Consultant		746		746
170	Physical Therapy Consultant		1,081		1,081
175	Occupational Therapy Consultant		276		276
180	Pharmacist Consultant		0		0
185	Nurse Consultant		0		0
190	Psychologist Consultant		522		522
195	Physician Consultant		321		321
200	Recreational Consultant		0		0
205	Social Service Consultant		8		8
210	Other Consultant		709		709
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 3,968	\$ 0	\$ 3,968
	<b>EXPENSES: ADMINISTRATIVE COSTS</b>				
220	Administrative Salaries		\$ 8,180	\$	\$ 8,180
225	Administrative Fringe Benefits		2,447		2,447
226	Quality Assurance Fees		19,075		19,075
230	Other General and Administrative		44,247		44,247
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 73,949	\$ 0	\$ 73,949
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 439,291	\$ 0	\$ 439,291
	<b>NON-CLIENT CARE EXPENSES</b>		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 0	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 439,291	\$ 0	\$ 439,291