

**REPORT
ON THE
RATE SETTING AUDIT**

**CLIFFORD HOUSE
JOSHUA TREE, CALIFORNIA
PROVIDER NUMBER: LTC60711F
NPI: 1902943749**

**FISCAL PERIOD ENDED
JUNE 30, 2009**

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

**Section Chief: Julio M. Cueto
Audit Supervisor: Lucia Martinez
Auditor: Edward Walker Jr.**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

November 29, 2010

Mary Meze, Controller
Angel View Crippled Children's Foundation, Inc.
12379 Miracle Hill Road
Desert Hot Springs, CA 92240

PROVIDER: CLIFFORD HOUSE
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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	\$	443,876	\$ 254.37
Net Audit Adjustment		<u>0,000</u>	<u>0.00</u>
Audited Cost/Cost Per Day	\$	<u>443,876</u>	\$ <u>254.37</u>

This audit report includes the:

1. Audit Report Schedules 1 through 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.

Mary Meze
Page 2

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
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
PO 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) 440-7700

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—Rancho Cucamonga at (909) 481-3420.

Original Signed By

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

Certified

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

Provider:
CLIFFORD HOUSE

Fiscal Period:
JULY 1, 2008 THROUGH JUNE 30, 2009

Provider Number:
LTC60711F

Provider NPI:
1902943749

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,745	1,745
2. Other Client Days (Adj)		0
3. Total Client Days	<u>1,745</u>	<u>1,745</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>443,876</u>	\$ <u>443,876</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>254.37</u>	\$ <u>254.37</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)	\$ _____	\$ _____
2. Credit Balances (Adj)	\$ _____	\$ _____
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
CLIFFORD HOUSE

Fiscal Period:
JULY 1, 2008 THROUGH JUNE 30, 2009

Provider Number:
LTC60711F

Provider NPI:
1902943749

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 15,977	\$	\$ 15,977
050	Leases and Rentals				0
055	Real Property Taxes		431		431
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance	1	1,848	(611)	1,237
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 18,256	\$ (611)	\$ 17,645
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 14,754	\$	\$ 14,754
085	Utilities		17,944		17,944
090	Client Transportation		2,464		2,464
095	Dietary		21,203		21,203
100	Personal Care and Laundry		5,368		5,368
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 61,733	\$ 0	\$ 61,733
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 79,989	\$ (611)	\$ 79,378
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 13,041	\$	\$ 13,041
120	QMRP Fringe Benefits		4,360		4,360
125	Lead Salaries		32,330		32,330
130	Lead Fringe Benefits		10,809		10,809
135	Aides Salaries		132,415		132,415
140	Aides Fringe Benefits		44,271		44,271
145	Other Salaries		11,744		11,744
150	Other Fringe Benefits		3,927		3,927
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 252,897	\$ 0	\$ 252,897

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
CLIFFORD HOUSE

Fiscal Period:
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 1,444	\$	\$ 1,444
165	Speech Pathology Consultant		150		150
170	Physical Therapy Consultant		2,300		2,300
175	Occupational Therapy Consultant		2,274		2,274
180	Pharmacist Consultant		315		315
185	Nurse Consultant				0
190	Psychologist Consultant		1,200		1,200
195	Physician Consultant		3,536		3,536
200	Recreational Consultant		2,185		2,185
205	Social Service Consultant				0
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 13,404	\$ 0	\$ 13,404
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries	2	\$ 0	\$ 20,166	\$ 20,166
225	Administrative Fringe Benefits	2	0	6,742	6,742
226	Quality Assurance Fees		12,065		12,065
230	Other Administrative and General	1,2	85,521	(26,297)	59,224
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 97,586	\$ 611	\$ 98,197
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 443,876	\$ 0	\$ 443,876
	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)		\$ 443,876	\$ 0	\$ 443,876

Provider Name		Fiscal Period		Provider Number		Adjustments		
CLIFFORD HOUSE		JULY 1, 2008 THROUGH JUNE 30, 2009		LTC60711F		2		
Adj. No.	DHS Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted
		Line	Col.	Sch	Line			
RECLASSIFICATIONS OF REPORTED COSTS								
1	4	70	4	2	70.00	Property Insurance	\$1,848	\$1,237
	4.1	230	4	2	230.00	Other General and Administrative	85,521	86,132 *
To reclassify auto and professional liability insurance 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								
2	4.1	220	4	2	220.00	Administrative Salaries	\$0	\$20,166
	4.1	225	4	2	225.00	Administrative Fringe Benefits	0	6,742
	4.1	230	4	2	230.00	Other General and Administrative	86,132	(26,908)
To reclassify Administrative Salaries and Benefits 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								

*Balance carried forward from prior/to subsequent adjustments