

**REPORT
ON THE
RATE SETTING AUDIT**

**HACIENDA HOUSE
RIVERSIDE, CALIFORNIA
PROVIDER NUMBER: LTC60810F
NPI: 1336276013**

**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: Virat Shah
Auditor: Richard Cruz**



TOBY DOUGLAS
Director

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



EDMUND G. BROWN JR.
Governor

February 24, 2011

Board of Directors
ResCare, Incorporated
9901 Linn Station Road
Louisville, KY 40223-3808

HACIENDA HOUSE
PROVIDER NUMBER LTC60810F
NATIONAL PROVIDER IDENTIFIER (NPI) 1336276013
FISCAL PERIOD ENDED JUNE 30, 2009

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	\$	287,840	\$ 197.83
Net Audit Adjustment		<u>14,589</u>	<u>10.02</u>
Audited Cost/Cost Per Day	\$	<u>302,429</u>	\$ <u>207.85</u>

This audit report includes the:

1. Audit Report Schedules 1 and 2
2. Audit Adjustments Schedule
3. Audited Allocation of Home Office Cost

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.

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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

cc: Steven B. Mowery
Vice President of Reimbursement

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

Provider:
HACIENDA HOUSE

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

Provider Number:
LTC60810F

Provider NPI:
1336276013

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,455	1,455
2. Other Client Days (Adj)		0
3. Total Client Days	<u>1,455</u>	<u>1,455</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>287,840</u>	\$ <u>302,429</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>197.83</u>	\$ <u>207.85</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:
HACIENDA HOUSE

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

Provider Number:
LTC60810F

NPI:
1336276013

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		\$ 1,492	\$	\$ 1,492
050	Leases and Rentals		19,752		19,752
055	Real Property Taxes				0
060	Personal Property Taxes		123		123
065	Mortgage Interest				0
070	Property Insurance		163		163
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 21,530	\$ 0	\$ 21,530
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 10,192	\$	\$ 10,192
085	Utilities		4,221		4,221
090	Client Transportation		5,958		5,958
095	Dietary		10,122		10,122
100	Personal Care and Laundry		5,481		5,481
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 35,974	\$ 0	\$ 35,974
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 57,504	\$ 0	\$ 57,504
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 6,150	\$	\$ 6,150
120	QMRP Fringe Benefits		1,505		1,505
125	Lead Salaries		35,976		35,976
130	Lead Fringe Benefits		7,852		7,852
135	Aides Salaries		92,545		92,545
140	Aides Fringe Benefits		19,617		19,617
145	Other Salaries		8,986		8,986
150	Other Fringe Benefits		2,528		2,528
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 175,159	\$ 0	\$ 175,159

SUMMARY OF AUDITED FACILITY EXPENSES

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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		\$ 1,251	\$	\$ 1,251
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		1,560		1,560
175	Occupational Therapy Consultant		1,180		1,180
180	Pharmacist Consultant		801		801
185	Nurse Consultant				0
190	Psychologist Consultant		1,201		1,201
195	Physician Consultant				0
200	Recreational Consultant		960		960
205	Social Service Consultant				0
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 6,953	\$ 0	\$ 6,953
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$ 11,266	\$	\$ 11,266
225	Administrative Fringe Benefits		4,497		4,497
226	Quality Assurance Fees	1	0	14,770	14,770
230	Other Administrative and General	2,3	32,461	(181)	32,280
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 48,224	\$ 14,589	\$ 62,813
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 287,840	\$ 14,589	\$ 302,429
	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)		\$ 287,840	\$ 14,589	\$ 302,429

