

**REPORT
ON THE
RATE SETTING AUDIT
UCP/SCF HUBBARD HOUSE
SYLMAR, CALIFORNIA
PROVIDER NUMBERS: LTC60255F / NPI 1922250968
FISCAL PERIOD ENDED
JUNE 30, 2009**

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

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Debra K. Blake
Auditor: Lee Ly**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

November 30, 2010

James P. Hudson
Chief Financial Officer
UCP/SCF of Los Angeles and Ventura Counties
6430 Independence Avenue
Woodland Hills, CA 91367

PROVIDER: UCF/SCF HUBBARD HOUSE
PROVIDER NO. LTC60255F / NPI 1922250968
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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, 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	\$	992,262	\$ 188.04
Net Audit Adjustment		<u>10,708</u>	<u>2.02</u>
Audited Cost/Cost Per Day	\$	<u>1,002,970</u>	\$ <u>190.06</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.

James P. Hudson
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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:

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—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:
UCP/SCF HUBBARD HOUSE

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

Provider Number:
LTC60255F

Provider NPI:
1922250968

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	5,276	5,276
2. Other Client Days (Adj)	1	1
3. Total Client Days	<u>5,277</u>	<u>5,277</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>992,262</u>	\$ <u>1,002,970</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>188.04</u>	\$ <u>190.06</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>0</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:
UCP/SCF HUBBARD HOUSE

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

Provider Number:
LTC60255F

NPI:
1922250968

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 3,586	\$	\$ 3,586
050	Leases and Rentals		43,283		43,283
055	Real Property Taxes		0		0
060	Personal Property Taxes		0		0
065	Mortgage Interest		0		0
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 46,869	\$ 0	\$ 46,869
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 8	\$	\$ 8
085	Utilities		25		25
090	Client Transportation	1	(2,865)	11,554	8,689
095	Dietary		47,138		47,138
100	Personal Care and Laundry		18,458		18,458
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 62,764	\$ 11,554	\$ 74,318
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 109,633	\$ 11,554	\$ 121,187
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 37,961	\$	\$ 37,961
120	QMRP Fringe Benefits		14,664		14,664
125	Lead Salaries		34,693		34,693
130	Lead Fringe Benefits		10,672		10,672
135	Aides Salaries		308,817		308,817
140	Aides Fringe Benefits		107,200		107,200
145	Other Salaries		13,135		13,135
150	Other Fringe Benefits		4,237		4,237
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 531,379	\$ 0	\$ 531,379

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
UCP/SCF HUBBARD HOUSE

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

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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 2,430	\$	\$ 2,430
165	Speech Pathology Consultant	2	4,230	(34)	4,196
170	Physical Therapy Consultant		1,350		1,350
175	Occupational Therapy Consultant		10,207		10,207
180	Pharmacist Consultant		200		200
185	Nurse Consultant		88,495		88,495
190	Psychologist Consultant		600		600
195	Physician Consultant		0		0
200	Recreational Consultant		323		323
205	Social Service Consultant		7,752		7,752
210	Other Consultant		900		900
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 116,487	\$ (34)	\$ 116,453
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$ 33,957	\$	\$ 33,957
225	Administrative Fringe Benefits		12,057		12,057
226	Quality Assurance Fees		56,892		56,892
230	Other Administrative and General	3	131,857	(812)	131,045
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 234,763	\$ (812)	\$ 233,951
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 992,262	\$ 10,708	\$ 1,002,970
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$ 0	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 992,262	\$ 10,708	\$ 1,002,970

Provider Name		Fiscal Period				Provider Number		Adjustme	
UCP/SCF HUBBARD HOUSE		JULY 1, 2008 THROUGH JUNE 30, 2009				LTC60255F		3	
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted	
		Line	Col.	Line	Col				
1	4	90	4	2	90	2	(\$2,865)	\$8,689	
<p>Client Transportation To adjust the provider's reclassification of vehicle depreciation expense to the proper amount. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304</p>									
2	4.1	165	4	2	165	2	\$4,230	\$4,196	
<p>Speech Pathology Consultant To eliminate speech therapist expense that is not applicable to Hubbard House. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304</p>									
3	4.1	230	4	2	230	2	\$131,857	\$131,045	
<p>Other General and Administrative To eliminate bad debt expense that is not recognized under the Medi-Cal program. 42 CFR 413.80 and 413.178 / CMS Pub. 15-1, Section 300</p>									
ADJUSTMENTS TO REPORTED COSTS									