

**REPORT  
ON THE  
RATE SETTING AUDIT**

**MAYETTE HOUSE  
SANTA ROSA, CALIFORNIA  
PROVIDER NUMBER: LTC60319G AND  
NPI NUMBER: 1902839962**

**FISCAL PERIOD ENDED  
JULY 31, 2009**

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

**Section Chief: Louise Wong  
Audit Supervisor: David Mui  
Auditor: Mandy Lin**



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



EDMUND G. BROWN JR.  
GOVERNOR

January 25, 2011

Denise Keeley  
President/CEO  
DuMolin Service Corporation  
1455 N. Dutton Avenue, Suite B  
Santa Rosa, CA 95401

PROVIDER: MAYETTE HOUSE  
PROVIDER NUMBER: LTC60319G  
NPI NUMBER: 1902839962  
FISCAL PERIOD ENDED JULY 31, 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	\$	438,057	\$ 215.37
Net Audit Adjustment		<u>(15,367)</u>	<u>(7.56)</u>
Audited Cost/Cost Per Day	\$	<u>422,690</u>	\$ <u>207.81</u>

This audit report includes the:

1. Audit Report Schedules 1 through 2
2. Audit Adjustments that include a summary of the total due the State in the amount of \$13,358, which resulted from Medi-Cal overpayments

The audit settlement will be incorporated into a Statement of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement of Account Status.

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:

John Melton, 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) 440-7700

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.

Denise Keeley  
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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:**  
MAYETTE HOUSE

**Fiscal Period:**  
AUGUST 1, 2008 THROUGH JULY 31, 2009

**Provider Number:**  
LTC60319G

**Provider NPI:**  
1902839962

**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 )	2,034	2,034
2. Other Client Days (Adj )		0
3. Total Client Days	<u>2,034</u>	<u>2,034</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>438,057</u>	\$ <u>422,690</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>215.37</u>	\$ <u>207.81</u>

**SHARE OF COST**

1. Share of Cost Audit Adjustment (Adj )	\$ <u>          </u>	\$ <u>          0</u>
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**OVERPAYMENTS**

1. Medi-Cal Overpayments (Adj 9)	\$ <u>          NA</u>	\$ <u>          13,358</u>
2. Credit Balances (Adj )	\$ <u>          </u>	\$ <u>          0</u>
3. Total Overpayments	\$ <u>          0</u>	\$ <u>          13,358</u>

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
MAYETTE HOUSE

Fiscal Period:  
AUGUST 1, 2008 THROUGH JULY 31, 2009

Provider Number:  
LTC60319G

NPI:  
1902839962

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
	<b>EXPENSES: CLIENT SERVICES</b>				
	<b>Basic Facility Cost - Property Expenses</b>				
045	Depreciation and Amortization	1,3	\$ 5,151	\$ 6,034	\$ 11,185
050	Leases and Rentals	1	17,719	(17,719)	0
055	Real Property Taxes		5,008	0	5,008
060	Personal Property Taxes		0		0
065	Mortgage Interest	1	0	6,744	6,744
070	Property Insurance		2,027	0	2,027
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 29,905	\$ (4,941)	\$ 24,964
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance	2	\$ 17,611	\$ (961)	\$ 16,650
085	Utilities		12,204	0	12,204
090	Client Transportation	4	7,272	(2,001)	5,271
095	Dietary		15,331	0	15,331
100	Personal Care and Laundry	5,6	5,945	(2,832)	3,113
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 58,363	\$ (5,794)	\$ 52,569
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 88,268	\$ (10,735)	\$ 77,533
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 12,875	\$ 0	\$ 12,875
120	QMRP Fringe Benefits	7,8	8,965	(716)	8,249
125	Lead Salaries		34,525	0	34,525
130	Lead Fringe Benefits	8	8,469	(617)	7,852
135	Aides Salaries		135,304	0	135,304
140	Aides Fringe Benefits	7,8	35,315	(2,816)	32,499
145	Other Salaries		11,891	0	11,891
150	Other Fringe Benefits	7,8	2,511	(222)	2,289
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 249,855	\$ (4,371)	\$ 245,484

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
MAYETTE HOUSE

Fiscal Period:  
AUGUST 1, 2008 THROUGH JULY 31, 2009

Provider Number:  
LTC60319G

NPI:  
1902839962

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED Col. 1	AUDIT ADJUSTMENT Col. 2	AS AUDITED Col. 3
<b>EXPENSES: CONSULTANT COSTS</b>					
160	Dietician Consultant		\$ 2,088	\$ 0	\$ 2,088
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant				0
175	Occupational Therapy Consultant		9,080	0	9,080
180	Pharmacist Consultant		136	0	136
185	Nurse Consultant	8	18,956	(261)	18,695
190	Psychologist Consultant				0
195	Physician Consultant		900	0	900
200	Recreational Consultant		504	0	504
205	Social Service Consultant				0
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 31,664	\$ (261)	\$ 31,403
<b>EXPENSES: ADMINISTRATIVE COSTS</b>					
220	Administrative Salaries		\$ 3,352	\$ 0	\$ 3,352
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees		21,483	0	21,483
230	Other Administrative and General		43,435	0	43,435
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 68,270	\$ 0	\$ 68,270
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 438,057	\$ (15,367)	\$ 422,690
			(To Sch. 1)		(To Sch. 1)
<b>NON-CLIENT CARE EXPENSES</b>					
240	Non-Program Services		\$	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 438,057	\$ (15,367)	\$ 422,690

Provider Name		Fiscal Period				Provider Number		Adjustments				
MAYETTE HOUSE		AUGUST 1, 2008 THROUGH JULY 31, 2009				LTC60319G		9				
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		Line	Col.	Sch.	Col.	As Reported	Increase (Decrease)	As Adjusted
		Line	Col.	Line	Col.							
<b>ADJUSTMENTS TO REPORTED COSTS</b>												
1	4 of 6	045	4	2	45	3				\$5,151	\$5,970	\$11,121 *
	4 of 6	050	4	2	50	3				17,719	(17,719)	0
	4 of 6	065	4	2	65	3				0	6,744	6,744
Depreciation and Amortization Leases and Rentals Mortgage Interest To include cost of ownership in lieu of related party lease expenses. CMS Pub. 15-1, Section 1011.5												
2	4 of 6	080	4	2	80	3				\$17,611	(\$961)	\$16,650
Home Operations and Maintenance To eliminate expense on assets that should have been capitalized. CMS Pub. 15-1, Sections 104.1, 108.1, and 2300												
3	4 of 6	045	4	2	45	3			*	\$11,121	\$64	\$11,185
Depreciation and Amortization To include depreciation expense on the assets to be capitalized in conjunction with adjustment number 2. CMS Pub. 15-1, Sections 108.1 and 2300												
4	4 of 6	090	4	2	90	3				\$7,272	(\$2,001)	\$5,271
Client Transportation To reconcile the reported client transportation expense to agree with the provider's records. CMS Pub. 15-1, Sections 2300 and 2304												
5	4 of 6	100	4	2	100	3				\$5,945	(\$2,221)	\$3,724 *
Personal Care and Laundry To eliminate utilities expense not related to patient care. CMS Pub. 15-1, Sections 2102.3												
6	4 of 6	100	4	2	100	3			*	\$3,724	(\$611)	\$3,113
Personal Care and Laundry To eliminate personal care and laundry expense due to lack of documentation. CMS Pub. 15-1, Sections 2300 and 2304												
7	4.1 of 6	120	4	2	120	3				\$8,965	(\$383)	\$8,582 *
	4.1 of 6	140	4	2	140	3				35,315	(1,039)	34,276 *
	4.1 of 6	150	4	2	150	3				2,511	(38)	2,473 *
QMRP Fringe Benefits Aides Benefits Other Benefits To reconcile the reported benefits to agree with the provider's records. CMS Pub. 15-1, Sections 2300 and 2304												
											*Balance carried forward from prior/to subsequent adjustments	
											Page 1	

Provider Name		Fiscal Period		Provider Number		Adjustments		
MAYETTE HOUSE		AUGUST 1, 2008 THROUGH JULY 31, 2009		LTC60319G		9		
Adj. No.	DHS 3076 Page or Exhibit	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted
		Line	Col.	Line	Col.			
8	4.1 of 6	120	4	2	3	\$8,582	(\$333)	\$8,249
	4.1 of 6	130	4	2	3	8,469	(617)	7,852
	4.1 of 6	140	4	2	3	34,276	(1,777)	32,499
	4.1 of 6	150	4	2	3	2,473	(184)	2,289
	4.1 of 6	185	4	2	3	18,956	(261)	18,695
<p style="text-align: center;"><b>ADJUSTMENTS TO REPORTED COSTS</b></p> <p style="text-align: center;">* To adjust reported workers' compensation to agree with the provider's supporting documents. CMS Pub. 15-1, Section 2300 and 2304</p>								

\*Balance carried forward from prior/to subsequent adjustments

Provider Name		Fiscal Period		Provider Number		Adjustments				
MAYETTE HOUSE		AUGUST 1, 2008 THROUGH JULY 31, 2009		LTC60319G		9				
Adj. No.	DHS 3076 Page or Exhibit	Report References		Line	Sch.	Col.	Col.			
		Cost Report	Audit Report					As Reported	Increase (Decrease)	As Adjusted
9	Not Reported	1	1	2	1	2	Medi-Cal Overpayment To recover Medi-Cal overpayments due to incorrect billings. CMS Pub. 15-1, Sections 2304 and 2409 CCR, Title 22, Section 51458.1 <b>ADJUSTMENT TO OTHER MATTERS</b>	\$0	\$13,358	\$13,358