

**REPORT
ON THE
RATE SETTING AUDIT**

**DEL PARK MANOR
CORONA, CALIFORNIA
PROVIDER NUMBER: LTC60021F
NATIONAL PROVIDER IDENTIFIER: 1803827109**

**FISCAL PERIOD ENDED
DECEMBER 31, 2009**

**Audits Section – Santa Ana
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Margaret A. Varho
Audit Supervisor: Stan Van Arsdale
Auditor: Teri Hung**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

Date: December 16, 2010

Audrey Turner
Executive Director
Peppermint Ridge
825 Magnolia Avenue
Corona, CA 92879

PROVIDER: DEL PARK MANOR
PROVIDER NO. LTC60021F
FISCAL PERIOD ENDED DECEMBER 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	\$	825,732		\$ 192.75
Net Audit Adjustment		(106,104)		(24.93)
Audited Cost/Cost Per Day	\$	<u>719,628</u>		\$ <u>167.82</u>

This Audit Report includes the:

1. Audit Report Schedules 1 through 2
2. Audit Adjustment Schedules

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
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 Title 22, California Code of Regulations, Section 51016, et seq.

Audrey Turner
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If you have questions regarding this report you may call the Audits Section-Santa Ana at (714) 558-4434.

(Original signed by Margaret Varho)

Margaret A. Varho, Chief
Audits Section-Santa Ana
Financial Audits Branch

Certified

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

Provider:
DEL PARK MANOR

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
LTC60021F

Provider NPI:
1083827109

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj 6)	4,284	4,288
2. Other Client Days (Adj)		0
3. Total Client Days	<u>4,284</u>	<u>4,288</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>825,732</u>	\$ <u>719,628</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>192.75</u>	\$ <u>167.82</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:
DEL PARK MANOR

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
LTC60021F

NPI:
1083827109

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 8,312	\$	\$ 8,312
050	Leases and Rentals				0
055	Real Property Taxes				0
060	Personal Property Taxes		216		216
065	Mortgage Interest				0
070	Property Insurance		100		100
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 8,628	\$ 0	\$ 8,628
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	1	\$ 7,134	\$ 24	\$ 7,158
085	Utilities		9,351		9,351
090	Client Transportation		4,183		4,183
095	Dietary		11,757		11,757
100	Personal Care and Laundry	1,2,3	99,711	(85,700)	14,011
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 132,136	\$ (85,676)	\$ 46,460
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 140,764	\$ (85,676)	\$ 55,088
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 25,009	\$	\$ 25,009
120	QMRP Fringe Benefits		10,139		10,139
125	Lead Salaries		36,799		36,799
130	Lead Fringe Benefits		11,531		11,531
135	Aides Salaries		239,834		239,834
140	Aides Fringe Benefits		65,762		65,762
145	Other Salaries		19,365		19,365
150	Other Fringe Benefits		6,032		6,032
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 414,471	\$ 0	\$ 414,471

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
DEL PARK MANOR

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
LTC60021F

NPI:

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 1,980	\$	\$ 1,980
165	Speech Pathology Consultant		468		468
170	Physical Therapy Consultant		505		505
175	Occupational Therapy Consultant		1,364		1,364
180	Pharmacist Consultant		1,347		1,347
185	Nurse Consultant		0		0
190	Psychologist Consultant		0		0
195	Physician Consultant		0		0
200	Recreational Consultant		1,490		1,490
205	Social Service Consultant		0		0
210	Other Consultant		2,396		2,396
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 9,550	\$ 0	\$ 9,550
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$ 54,127	\$	\$ 54,127
225	Administrative Fringe Benefits		14,298		14,298
226	Quality Assurance Fees	5	48,877	(13,666)	35,211
230	Other Administrative and General	4	143,645	(6,762)	136,883
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 260,947	\$ (20,428)	\$ 240,519
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 825,732	\$ (106,104)	\$ 719,628
	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)		\$ 825,732	\$ (106,104)	\$ 719,628

Provider Name		Fiscal Period				Provider Number		Adjustments	
DEL PARK MANOR		JANUARY 1, 2009 THROUGH DECEMBER 31, 2009				LTC60021F		6	
Report References		Cost Report		Audit Report		As Reported		As Adjusted	
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Col.	Increase (Decrease)		
ADJUSTMENTS TO REPORTED COSTS									
1	4	80	4	2	80.00	3	Home Operations and Maintenance	\$7,134	\$7,158
	4	100	4	2	100.00	3	Personal Care and Laundry	99,711	16,411 *
To reconcile the reported expenses to agree with the provider's general ledger.									
42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304									
2	4	100	4	2	100.00	3	Personal Care and Laundry	\$16,411	\$15,211 *
To abate miscellaneous revenue against related costs.									
42 CFR 413.5 and 413.9 / CMS Pub. 15-1, Section 2328									
3	4	100	4	2	100.00	3	Personal Care and Laundry	\$15,211	\$14,011
To eliminate Love Walk income booked in expenses not related to patient care.									
CMS Pub. 15-1, Sections 2300 and 2302.1									
42 CFR 413.5 and 413.24									
4	4.1	230	4	2	230.00	3	Other Administrative and General	\$143,645	\$136,883
To reconcile the reported expenses to agree with actual DHS license expense.									
42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304									
5	4.1	226	4	2	226.00	3	Quality Assurance Fees	\$48,877	\$35,211
To reconcile the reported expenses to agree with actual QA fees expense.									
42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304									

*Balance carried forward from prior/fo subsequent adjustments

