

**REPORT
ON THE
RATE SETTING AUDIT**

**C & C QUALITY CARE HOME
INGLEWOOD, CALIFORNIA
PROVIDER NUMBER: LTC60504F
NATIONAL PROVIDER IDENTIFIER: 1043430358**

**FISCAL PERIOD ENDED
DECEMBER 31, 2009**

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

**Section Chief: Maria L. Delgado
Audit Supervisor: Cyrus Lam
Auditor: Diem Mi Ly**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

October 27, 2010

Hortense G. Crawford, Administrator
C & C Quality Care Home
931 East La Palma Drive
Inglewood, CA 90301

PROVIDER: C & C QUALITY CARE HOME
PROVIDER NO.: LTC60504F
NATIONAL PROVIDER IDENTIFIER: 1043430358
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	\$	267,361	\$ 130.93
Net Audit Adjustment		<u>10,312</u>	<u>5.05</u>
Audited Cost/Cost Per Day	\$	<u>277,673</u>	\$ <u>135.98</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

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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
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—Gardena at (310) 516-4757

Original Signed By:

Maria L. Delgado, Chief
Audits Section—Gardena
Financial Audits Branch

Enclosure
Certified

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cc: Debbie Clark, QMRP
C & C Quality Care Home
931 East La Palma Drive
Inglewood, CA 90301

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

Provider:
C & C QUALITY CARE HOME

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

Provider Number:
LTC60504F

Provider NPI:
1043430358

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

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	2,042	2,042
2. Other Client Days (Adj)		0
3. Total Client Days	<u>2,042</u>	<u>2,042</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>267,361</u>	\$ <u>277,673</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>130.93</u>	\$ <u>135.98</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:
C & C QUALITY CARE HOME

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

Provider Number:
LTC60504F

NPI:
1043430358

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization	9	\$ 0	\$ 6,180	\$ 6,180
050	Leases and Rentals	3	708	32	740
055	Real Property Taxes		4,137		4,137
060	Personal Property Taxes		0		0
065	Mortgage Interest		7,689		7,689
070	Property Insurance		730		730
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 13,264	\$ 6,212	\$ 19,476
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance	2	\$ 8,634	(5,919)	\$ 2,715
085	Utilities	1	8,084	(1,554)	6,530
090	Client Transportation		863		863
095	Dietary		7,520		7,520
100	Personal Care and Laundry				0
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 25,101	\$ (7,473)	\$ 17,628
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 38,365	\$ (1,261)	\$ 37,104
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 45,000	\$	\$ 45,000
120	QMRP Fringe Benefits	8	1,181	(221)	960
125	Lead Salaries	7	16,640	10,240	26,880
130	Lead Fringe Benefits	8	2,456	(222)	2,234
135	Aides Salaries	7	85,035	2,310	87,345
140	Aides Fringe Benefits	8	10,269	(400)	9,869
145	Other Salaries		0		0
150	Other Fringe Benefits		0		0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 160,581	\$ 11,707	\$ 172,288

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
C & C QUALITY CARE HOME

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

Provider Number:
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NPI:
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 45		\$ 45
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant	5	618	(374)	244
175	Occupational Therapy Consultant	4	520	(130)	390
180	Pharmacist Consultant		195		195
185	Nurse Consultant				0
190	Psychologist Consultant				0
195	Physician Consultant				0
200	Recreational Consultant				0
205	Social Service Consultant				0
210	Other Consultant				0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 1,378	\$ (504)	\$ 874
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries	7	\$ 41,889	\$ (222)	\$ 41,667
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees		14,272		14,272
230	Other Administrative and General	6	10,876	592	11,468
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 67,037	\$ 370	\$ 67,407
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 267,361	\$ 10,312	\$ 277,673
	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)		\$ 267,361	\$ 10,312	\$ 277,673

Provider Name		Fiscal Period		Provider Number		Adjustments		
C & C QUALITY CARE HOME		JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		LTC60504F		9		
Adj. No.	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted	
	Cost Report	Line	Col.	Sch				Line
1	4	85	2	2	85.00	Utilities To adjust utility expenses to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$8,084 (\$1,554)	\$6,530
2	4	80	2	2	80.00	Home Operations and Maintenance To eliminate home operations and maintenance expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$8,634 (\$5,919)	\$2,715
3	4	50	2	2	50.00	Leases and Rentals To include leases and rentals expenses to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$708 \$32	\$740
4	4.1	175	2	2	175.00	Occupational Therapy Consultant To adjust occupational therapy consultant expenses to agree with the invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$520 (\$130)	\$390
5	4.1	170	2	2	170.00	Physical Therapy Consultant To adjust physical therapy consultant expenses to agree with the invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$618 (\$374)	\$244
6	4.1	230	2	2	230.00	Other General and Administrative To adjust other general and administrative expenses to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$10,876 \$592	\$11,468

ADJUSTMENTS TO REPORTED COSTS

Provider Name		Fiscal Period		Provider Number		Adjustments		
C & C QUALITY CARE HOME		JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		LTC60504F		9		
Adj. No.	DHS 3076 Page or Exhibit	Report References		Sch	Line	As Reported	Increase (Decrease)	As Adjusted
		Cost Report	Audit Report					
Explanation of Audit Adjustments								
<u>ADJUSTMENTS TO REPORTED COSTS</u>								
7	4.1	125	2	2	125.00	\$16,640	\$10,240	\$26,880
	4.1	135	2	2	135.00	85,035	2,310	87,345
	4.1	220	2	2	220.00	41,889	(222)	41,667
Administrative Salaries To adjust the reported salary expenses to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 23044								
8	4.1	120	2	2	120.00	\$1,181	(\$221)	\$960
	4.1	130	2	2	130.00	2,456	(222)	2,234
	4.1	140	2	2	140.00	10,269	(400)	9,869
QMRP Fringe Benefits Lead Benefits Aides Benefits To adjust QMRP, Lead and Aides' benefits to agree with the provider's documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304								
9	4	45	2	2	45.00	\$0	\$6,180	\$6,180
Depreciation and Amortization To include depreciation expense to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304								