

**REPORT ON THE  
RATE SETTING AUDIT**

**CARING CONCERN RESIDENTIAL HOMES, INC.  
NEATH STREET  
VENTURA, CALIFORNIA  
PROVIDER NUMBER: LTC80362G  
NATIONAL PROVIDER IDENTIFIER: 1851587224**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2008**

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

**Section Chief: Cheryl Phillips  
Audit Supervisor: Maria Delgado  
Auditor: Minh Nguyen**



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



ARNOLD SCHWARZENEGGER  
Governor

December 28, 2009

Anda Rebensal, Administrator  
Caring Concern Residential Homes, Inc. – Neath Street  
9002 Neath Street  
Ventura, Ca 93012

PROVIDER: CARING CONCERN RESIDENTIAL HOMES, INC. – NEATH STREET  
PROVIDER NO.: LTC80362G  
FISCAL PERIOD ENDED: DECEMBER 31, 2008

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	\$	472,390	\$ 215.11
Net Audit Adjustment		<u>(2,341)</u>	<u>(1.06)</u>
Audited Cost/Cost Per Day	\$	<u>470,049</u>	\$ <u>214.05</u>

This audit report includes the:

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

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.

Signed By:

Cheryl Phillips, Chief  
Audits Section—Gardena  
Financial Audits Branch

Certified

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

**Provider:**

CARING CONCERN RESIDENTIAL HOMES NEATH STREET

**Fiscal Period:**

JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

**Provider Number:**

LTC80362G

**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 )	2,196	2,196
2. Other Client Days (Adj )		0
3. Total Client Days	<u>2,196</u>	<u>2,196</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>472,390</u>	\$ <u>470,049</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>215.11</u>	\$ <u>214.05</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:  
CARING CONCERN RESIDENTIAL HOMES NEATH STREET

Fiscal Period:  
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:  
LTC80362G

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CLIENT SERVICES</b>				
	<b>Basic Facility Cost - Property Expenses</b>				
045	Depreciation and Amortization		\$	\$	\$ 0
050	Leases and Rentals		57,954		57,954
055	Real Property Taxes				0
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance				0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 57,954	\$ 0	\$ 57,954
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance	4	\$ 19,306	\$ (324)	\$ 18,982
085	Utilities	3	9,653	(894)	8,759
090	Client Transportation		725		725
095	Dietary		5,272		5,272
100	Personal Care and Laundry	6	1,898	(485)	1,413
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 36,854	\$ (1,703)	\$ 35,151
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 94,808	\$ (1,703)	\$ 93,105
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 836	\$	\$ 836
120	QMRP Fringe Benefits				0
125	Lead Salaries				0
130	Lead Fringe Benefits	1	184	(184)	0
135	Aides Salaries		168,446		168,446
140	Aides Fringe Benefits		8,728		8,728
145	Other Salaries		4,052		4,052
150	Other Fringe Benefits		91		91
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 182,337	\$ (184)	\$ 182,153

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
CARING CONCERN RESIDENTIAL HOMES NEATH STREET

Fiscal Period:  
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:  
LTC80362G

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CONSULTANT COSTS</b>				
160	Dietician Consultant		\$ 1,244	\$	\$ 1,244
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		769		769
175	Occupational Therapy Consultant		1,141		1,141
180	Pharmacist Consultant		1,260		1,260
185	Nurse Consultant	5	11,755	(228)	11,527
190	Psychologist Consultant		70		70
195	Physician Consultant				0
200	Recreational Consultant		12,210		12,210
205	Social Service Consultant		1,008		1,008
210	Other Consultant	2	638	(226)	412
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 30,095	\$ (454)	\$ 29,641
	<b>EXPENSES: ADMINISTRATIVE COSTS</b>				
220	Administrative Salaries		\$ 54,429	\$	\$ 54,429
225	Administrative Fringe Benefits		1,578		1,578
226	Quality Assurance Fees		20,503		20,503
230	Other Administrative and General		88,640		88,640
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 165,150	\$ 0	\$ 165,150
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 472,390	\$ (2,341)	\$ 470,049
	<b>NON-CLIENT CARE EXPENSES</b>		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 472,390	\$ (2,341)	\$ 470,049

Provider Name		Fiscal Period		Provider Number		Adjustments			
CARING CONCERN RESIDENTIAL HOMES, INC. NEATH ST		JANUARY 1, 2008 THROUGH DECEMBER 31, 2008		LTC80362G		6			
Adj. No.	Report References		Audit Report		As Reported	Increase (Decrease)	As Adjusted		
	Cost Report	Line	Col.	Sch				Line	
1	4.1	130	4	2	130.00	Lead Benefits To adjust lead benefits expense to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$184	(\$184)	\$0
2	4.1	210	4	2	210.00	Other Consultant To adjust other consultant expense to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$638	(\$226)	\$412
3	4	85	4	2	85.00	Utilities To adjust telephone expenses to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$9,653	(\$894)	\$8,759
4	4	80	4	2	80.00	Home Operations and Maintenance To adjust repair/maintenance expenses to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$19,306	(\$324)	\$18,982
5	4.1	185	4	2	185.00	Nurse Consultant To adjust nurse consultant expenses to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$11,755	(\$228)	\$11,527
6	4	100	4	2	100.00	Personal Care and Laundry To eliminate legend drugs expenses that are separately billable. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51510.3	\$1,898	(\$485)	\$1,413