

**REPORT  
ON THE  
RATE SETTING AUDIT**

**ALPINE ICF  
LODI, CALIFORNIA  
PROVIDER NUMBER: LTC80271F / NPI 1013183581**

**FISCAL PERIOD ENDED  
JUNE 30, 2008**

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

**Acting Section Chief: Jeff Sandman  
Audit Supervisor: Steven Gary  
Auditors: Gene Bannister and Phil Kram**



DAVID MAXWELL-JOLLY  
Director

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



ARNOLD SCHWARZENEGGER  
Governor

December 30, 2009

Elena Gabriel  
Administrator  
Gabriel Care Homes, Inc.  
2155 W. Elm Street  
Lodi, CA 95242

PROVIDER: ALPINE ICF  
PROVIDER NO. LTC80271F / NPI 1013183581

FISCAL PERIOD ENDED JUNE 30, 2008

We have examined the facility's financial records/Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from Share of Cost. 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   | \$ | 444,898          | \$ 204.46           |
| Net Audit Adjustment         |    | <u>( 77,122)</u> | <u>(35.45)</u>      |
| Audited Cost/Cost Per Day    | \$ | <u>367,776</u>   | \$ <u>169.01</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.

Elena Gabriel  
Page 2

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  
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 - Sacramento at (916) 650-6994.

Original Signed By

Jeff Sandman, Acting Chief  
Audits Section - Sacramento  
Financial Audits Branch

Certified

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

**Provider:**  
GABRIEL CARE HOMES, INC. DBA ALPINE ICF

**Fiscal Period:**  
JULY 1, 2007 THROUGH JUNE 30, 2008

**Provider Number:**  
LTC80271F

**Provider NPI:**  
1013183581

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

|  | <b>AS<br/>REPORTED</b> | <b>AS<br/>AUDITED</b> |
|--|------------------------|-----------------------|
| 1. Medi-Cal Client Days (Adj )                   | 2,176                  | 2,176                 |
| 2. Other Client Days (Adj )                      |                        | 0                     |
| 3. Total Client Days                             | <u>2,176</u>           | <u>2,176</u>          |
| 4. Total Client Care Expenses (From Sch. 2)      | \$ <u>444,898</u>      | \$ <u>367,776</u>     |
| 5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3) | \$ <u>204.46</u>       | \$ <u>169.01</u>      |

**SHARE OF COST**

|  |              |             |
|--|--------------|-------------|
| 1. Share of Cost Audit Adjustment (Adj 8 ) | \$ <u>NA</u> | \$ <u>0</u> |
|--|--------------|-------------|

**OVERPAYMENTS**

|                              |             |             |
|------------------------------|-------------|-------------|
| 1. Duplicate Payments (Adj ) | \$ _____    | \$ _____    |
| 2. Credit Balances (Adj )    | \$ _____    | \$ _____    |
| 3. Total Overpayments        | \$ <u>0</u> | \$ <u>0</u> |

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
GABRIEL CARE HOMES, INC. DBA ALPINE ICF

Fiscal Period:  
JULY 1, 2007 THROUGH JUNE 30, 2008

Provider Number:  
LTC80271F

Provider NPI:  
1013183581

| 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                                    | 1       | 46,000      | (46,000)         | 0          |
| 055      | Real Property Taxes                                   | 2       | 3,645       | (2,041)          | 1,604      |
| 060      | Personal Property Taxes                               |         |             |                  | 0          |
| 065      | Mortgage Interest                                     |         |             |                  | 0          |
| 070      | Property Insurance                                    |         | 2,315       |                  | 2,315      |
| 075      | TOTAL PROPERTY EXPENSES (Lines 045 through 070)       |         | \$ 51,960   | \$ (48,041)      | \$ 3,919   |
|          | <b>Basic Facility Cost - General Home Expenses</b>    |         |             |                  |            |
| 080      | Home Operations and Maintenance                       | 3       | \$ 14,975   | \$ (1,599)       | \$ 13,376  |
| 085      | Utilities   |         | 5,482       |                  | 5,482      |
| 090      | Client Transportation                                 | 4       | 9,739       | (9,636)          | 103        |
| 095      | Dietary   |         | 8,279       |                  | 8,279      |
| 100      | Personal Care and Laundry                             |         | 644         |                  | 644        |
| 105      | TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)   |         | \$ 39,119   | \$ (11,235)      | \$ 27,884  |
| 110      | TOTAL BASIC FACILITY COST (Lines 075 plus 105)        |         | \$ 91,079   | \$ (59,276)      | \$ 31,803  |
|          | <b>EXPENSES: DIRECT CARE STAFF COSTS</b>              |         |             |                  |            |
| 115      | QMRP Salaries   |         | \$ 26,525   | \$               | \$ 26,525  |
| 120      | QMRP Fringe Benefits                                  |         |             |                  | 0          |
| 125      | Lead Salaries   |         |             |                  | 0          |
| 130      | Lead Fringe Benefits                                  |         |             |                  | 0          |
| 135      | Aides Salaries  |         | 119,890     |                  | 119,890    |
| 140      | Aides Fringe Benefits                                 | 5       | 12,950      | (1,222)          | 11,728     |
| 145      | Other Salaries  |         |             |                  | 0          |
| 150      | Other Fringe Benefits                                 |         |             |                  | 0          |
| 155      | TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150) |         | \$ 159,365  | \$ (1,222)       | \$ 158,143 |

## SUMMARY OF AUDITED FACILITY EXPENSES

Provider:  
GABRIEL CARE HOMES, INC. DBA ALPINE ICF

Fiscal Period:  
JULY 1, 2007 THROUGH JUNE 30, 2008

Provider Number:  
LTC80271F

Provider NPI:  
1013183581

| Line No. | DESCRIPTION   | ADJ NO. | AS REPORTED | AUDIT ADJUSTMENT | AS AUDITED  |
|----------|---|---------|-------------|------------------|-------------|
|          | <b>EXPENSES: CONSULTANT COSTS</b>                                   |         |             |                  |             |
| 160      | Dietician Consultant  | 6       | \$ 894      | \$ (219)         | \$ 675      |
| 165      | Speech Pathology Consultant   |         |             |                  | 0           |
| 170      | Physical Therapy Consultant   |         |             |                  | 0           |
| 175      | Occupational Therapy Consultant                                     |         |             |                  | 0           |
| 180      | Pharmacist Consultant   | 6       | 900         | (180)            | 720         |
| 185      | Nurse Consultant  | 4       | 82,609      | (5,515)          | 77,094      |
| 190      | Psychologist Consultant   |         | 150         |                  | 150         |
| 195      | Physician Consultant  |         | 1,448       |                  | 1,448       |
| 200      | Recreational Consultant   |         | 1,230       |                  | 1,230       |
| 205      | Social Service Consultant   |         |             |                  | 0           |
| 210      | Other Consultant  |         | 150         |                  | 150         |
| 215      | TOTAL CONSULTANT COST (Lines 160 through 210)                       |         | \$ 87,381   | \$ (5,914)       | \$ 81,467   |
|          | <b>EXPENSES: ADMINISTRATIVE COSTS</b>                               |         |             |                  |             |
| 220      | Administrative Salaries   | 4       | \$ 45,606   | \$ (45,606)      | \$ 0        |
| 225      | Administrative Fringe Benefits                                      |         |             |                  | 0           |
| 226      | Quality Assurance Fees  |         | 23,651      |                  | 23,651      |
| 230      | Other General and Administrative                                    | 4,7     | 37,816      | 34,896           | 72,712      |
| 235      | TOTAL ADMINISTRATIVE COST (Lines 220 through 230)                   |         | \$ 107,073  | \$ (10,710)      | \$ 96,363   |
|          | TOTAL COSTS RELATED TO CLIENT CARE<br>(Lines 110, 155, 215 and 235) |         | \$ 444,898  | \$ (77,122)      | \$ 367,776  |
|          | <b>NON-CLIENT CARE EXPENSES</b>                                     |         | (To Sch. 1) |                  | (To Sch. 1) |
| 240      | Non-Program Services  |         | \$          | \$               | \$ 0        |
| 245      | TOTAL FACILITY EXPENSES<br>(Lines 110, 155, 215, 235 and 240)       |         | \$ 444,898  | \$ (77,122)      | \$ 367,776  |





| Provider Name  |                          | Fiscal Period                      |      |              |        | Provider Number |                     | Adjustments |  |
|--|--------------------------|------------------------------------|------|--------------|--------|-----------------|---------------------|-------------|--|
| GABRIEL CARE HOMES, dba ALPINE ICF   |                          | JULY 1, 2007 THROUGH JUNE 30, 2008 |      |              |        | LTC80271F       |                     | 7           |  |
| Adj. No.   | DHS 3076 Page or Exhibit | Report References                  |      | Audit Report |        | As Reported     | Increase (Decrease) | As Adjusted |  |
|  |                          | Line                               | Col. | Sch          | Line   |                 |                     |             |  |
| <b>ADJUSTMENTS TO REPORTED COSTS</b>   |                          |                                    |      |              |        |                 |                     |             |  |
| 6  | 4.1                      | 160                                | 4    | 2            | 160.00 | \$894           | (\$219)             | \$675       |  |
|  | 4.1                      | 180                                | 4    | 2            | 180.00 | 900             | (180)               | 720         |  |
| Dietician Consultant<br>Pharmacist Consultant<br>To adjust reported consultant's expenses to agree with provider records.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 1005 and 2304   |                          |                                    |      |              |        |                 |                     |             |  |
| 7  | 4.1                      | 230                                | 4    | 2            | 230.00 | \$8,439         | \$64,273            | \$72,712    |  |
| Other General and Administrative<br>To adjust reported home office costs to agree with Gabriel Care Homes, Inc. Home Office Audit report for fiscal period ended June 30, 2008 in conjunction with adjustment number 4.<br>42 CFR 413.17 / CMS Pub. 15-1, Sections 2150.2 and 2304 |                          |                                    |      |              |        |                 |                     |             |  |