

**REPORT
ON THE
RATE SETTING AUDIT**

**HUCKABEE HOUSE
DESERT HOT SPRINGS, CALIFORNIA
PROVIDER NUMBER: LTC80162F**

**FISCAL PERIOD ENDED
JUNE 30, 2008**

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

**Section Chief: Margaret A. Varho
Audit Supervisor: Felipe Avila
Auditor: Oscar Herrera**



DAVID MAXWELL-JOLLY
Director

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



ARNOLD SCHWARZENEGGER
Governor

December 17, 2009

Mary Meze, Controller
Angel View Crippled Children's Foundation, Inc.
12379 Miracle Hill Road
Desert Hot Springs, CA 92240

PROVIDER: HUCKABEE HOUSE
PROVIDER NO. LTC80162F
FISCAL PERIOD ENDED JUNE 30, 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, 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	\$	533,975	\$ 243.16
Net Audit Adjustment		<u>(2,845)</u>	<u>(1.30)</u>
Audited Cost/Cost Per Day	\$	<u>531,130</u>	\$ <u>241.86</u>

This audit report includes the:

1. Audit Report Schedules 1 and 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 Development Branch.

Mary Meze
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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—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:
HUCKABEE HOUSE

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

Provider Number:
LTC80162F

Provider NPI:
1487791224

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

	AS REPORTED	AS AUDITED
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>533,875</u>	\$ <u>531,030</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>243.11</u>	\$ <u>241.82</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:
HUCKABEE HOUSE

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

Provider Number:
LTC80162F

Provider NPI:
1487791224

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 11,687	\$	\$ 11,687
050	Leases and Rentals				0
055	Real Property Taxes		62		62
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance	3	2,485	(39)	2,446
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 14,234	\$ (39)	\$ 14,195
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 8,049	\$	\$ 8,049
085	Utilities		15,525		15,525
090	Client Transportation		6,402		6,402
095	Dietary		19,630		19,630
100	Personal Care and Laundry	1	13,024	(62)	12,962
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 62,630	\$ (62)	\$ 62,568
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 76,864	\$ (101)	\$ 76,763
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$ 12,420	\$	\$ 12,420
120	QMRP Fringe Benefits	2	3,660	290	3,950
125	Lead Salaries		44,226		44,226
130	Lead Fringe Benefits	2	13,032	1,032	14,064
135	Aides Salaries		116,689		116,689
140	Aides Fringe Benefits	2	34,384	2,723	37,107
145	Other Salaries		73,530		73,530
150	Other Fringe Benefits	2	21,667	1,715	23,382
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 319,608	\$ 5,760	\$ 325,368

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
HUCKABEE HOUSE

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

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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 2,418	\$	\$ 2,418
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		3,250		3,250
175	Occupational Therapy Consultant		2,396		2,396
180	Pharmacist Consultant		1,112		1,112
185	Nurse Consultant		2,697		2,697
190	Psychologist Consultant		1,200		1,200
195	Physician Consultant		2,875		2,875
200	Recreational Consultant		2,188		2,188
205	Social Service Consultant				0
210	Other Consultant	1	297	(297)	0
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 18,433	\$ (297)	\$ 18,136
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$	\$	\$ 0
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees		24,969		24,969
230	Other Administrative and General	1,4	94,001	(8,207)	85,794
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 118,970	\$ (8,207)	\$ 110,763
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 533,875	\$ (2,845)	\$ 531,030
	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)		\$ 533,875	\$ (2,845)	\$ 531,030

Provider Name		Fiscal Period		Provider Number		Adjustments		
HUCKABEE HOUSE		JULY 1, 2007 THROUGH JUNE 30, 2008		LTC80162F		4		
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>								
1	4	100	4	2	100.00	\$13,024	(\$62)	\$12,962
	4.1	210	4	2	210.00	297	(297)	0
	4.1	230	4	2	230.00	94,001	(5,388)	88,613 *
Personal Care and Laundry Other Consultant Other General and Administrative 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	4.1	120	4	2	120.00	\$3,660	\$290	\$3,950
	4.1	130	4	2	130.00	13,032	1,032	14,064
	4.1	140	4	2	140.00	34384	2,723	37,107
	4.1	150	4	2	150.00	21667	1,715	23,382
QMRP Benefits Lead Benefits Aides Benefits Other Benefits To adjust the reported fringe benefit expenses to agree with the auditor's allocation schedule. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304								
3	4	70	4	2	70.00	\$2,585	(\$39)	\$2,546
Property Insurance To adjust the reported insurance expenses to agree with the provider's allocation schedule 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2300.								
4	4.1	230	4	2	230.00	\$88,613	(\$2,819)	\$85,794
Other General and Administrative To eliminate fines not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2122.1								

*Balance carried forward from prior/to subsequent adjustments