REPORT
ON THE
RATE SETTING AUDIT

TRI-ELIZABETH IV – BEL AIR
ANAHEIM, CALIFORNIA
PROVIDER NUMBER: LTC80368F

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: Henry Igboke
Auditor: Julie Kephart / David Ellis

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

DAVID MAXWELL-JOLLY
Director

ARNOLD SCHWARZENEGGER
Governor

December 7, 2009

Prescila S. Barrios, President
ECP Homes, Inc.
6962 San Paco Circle
Buena Park, CA 90620

PROVIDER: TRI-ELIZABETH IV – BEL AIR
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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:

COST AND COST PER DAY		COST		COST PER DAY
Reported Cost/Cost Per Day	$	432,713	$	238.28
Net Audit Adjustment		(8,905)		(4.91)
Audited Cost/Cost Per Day	$	423,808	$	233.37

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 Development Branch.

605 West Santa Ana Blvd., Building 28, Room 830, Santa Ana, CA 92701
(714) 558-4434 / (714) 558-4179 fax
Internet Address: www.dhcs.ca.gov

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—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:
TRI-ELIZABETH IV - BEL AIR

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

Provider Number:
LTC80368F

Provider NPI:
1205857315

SUMMARY OF AUDITED FACILITY CENSUS AND AUDITED CLIENT COST PER DAY	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,816	1,816
2. Other Client Days (Adj)	0	0
3. Total Client Days	1,816	1,816
4. Total Client Care Expenses (From Sch. 2)	$ 432,713	$ 423,808
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	$ 238.28	$ 233.37
SHARE OF COST		
1. Share of Cost Audit Adjustment (Adj)	$ NA	$ 0
OVERPAYMENTS		
1. Duplicate Payments (Adj)	$	$ 0
2. Credit Balances (Adj)	$	$ 0
3. Total Overpayments	$ 0	$ 0

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
TRI-ELIZABETH IV - BEL AIR

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

Provider Number:
LTC80368F

Provider NPI:
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		$ 5,844	$	$ 5,844
050	Leases and Rentals		0		0
055	Real Property Taxes		5,627		5,627
060	Personal Property Taxes		0		0
065	Mortgage Interest		31,518		31,518
070	Property Insurance		0		0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		$ 42,989	$ 0	$ 42,989
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		$ 9,587	$	$ 9,587
085	Utilities	1	3,595	19	3,614
090	Client Transportation		9,843		9,843
095	Dietary		18,795		18,795
100	Personal Care and Laundry		2,058		2,058
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		$ 43,878	$ 19	$ 43,897
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		$ 86,867	$ 19	$ 86,886
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		$ 0	$	$ 0
120	QMRP Fringe Benefits		0		0
125	Lead Salaries		28,469		28,469
130	Lead Fringe Benefits		4,388		4,388
135	Aides Salaries		111,241		111,241
140	Aides Fringe Benefits		17,145		17,145
145	Other Salaries		33,920		33,920
150	Other Fringe Benefits		4,439		4,439
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		$ 199,602	$ 0	$ 199,602

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
TRI-ELIZABETH IV - BEL AIR

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

Provider Number:
LTC80368F

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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		$ 1,440	$	$ 1,440
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		1,500		1,500
175	Occupational Therapy Consultant		2,055		2,055
180	Pharmacist Consultant		500		500
185	Nurse Consultant		12,900		12,900
190	Psychologist Consultant		1,325		1,325
195	Physician Consultant		50		50
200	Recreational Consultant		0		0
205	Social Service Consultant		0		0
210	Other Consultant		16,643		16,643
215	TOTAL CONSULTANT COST (Lines 160 through 210)		$ 36,413	$ 0	$ 36,413
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		$ 0	$	$ 0
225	Administrative Fringe Benefits		0		0
226	Quality Assurance Fees		0		0
230	Other Administrative and General	2	109,831	(8,924)	100,907
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		$ 109,831	$ (8,924)	$ 100,907
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		$ 432,713	$ (8,905)	$ 423,808
	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)		$ 432,713	$ (8,905)	$ 423,808

Provider Name	Fiscal Period	Provider Numbers	Adjustments
TRI-ELIZABETH IV - BEL AIR	JULY 1, 2007 THROUGH JUNE 30, 2008	LTC80368F	2

Report References									
	COST REPORT			AUDIT REPORT					
Adj. No.	DHS 3076 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENTS TO REPORTED COSTS			
1	4	85	4	2	85	Utilities To reconcile reported utilities expense to agree with the provider's paid invoices. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304	$3,595	$19	$3,614
2	4.1	230	4	2	230	Other General and Administrative To adjust reported home office costs to agree with the filed ECP Homes, Inc. Home Office Cost Report for the fiscal period ending June 30, 2008. 42 CFR 413.17 / CMS Pub. 15-1, Sections 2150.2 and 2304	$109,831	($8,924)	$100,907