

**REPORT  
ON THE  
RATE SETTING AUDIT**

**ALPINE HOME III  
PARADISE, CALIFORNIA  
PROVIDER NUMBERs: LTC80250F / NPI 1013927102**

**FISCAL PERIOD ENDED  
December 31, 2009**

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

**Section Chief: Steven Gary  
Audit Supervisor: Gary Diffenderffer  
Auditor: Jennifer A. White**



DAVID MAXWELL-JOLLY  
Director

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



ARNOLD SCHWARZENEGGER  
Governor

November 17, 2010

Robert Carli, Administrator  
Alpine Home III  
5577 Carli Court  
Paradise, CA 95969

PROVIDER: ALPINE HOME III  
PROVIDER NOS. LTC80250F / NPI 1013927102  
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	\$	428,850	\$ 213.36
Net Audit Adjustment		2,993	1.49
Audited Cost/Cost Per Day	\$	<u>431,843</u>	\$ <u>214.85</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.

Robert Carli, Administrator  
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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 - Sacramento at (916) 650-6994.

**Original Signed By**

Steven Gary, Chief  
Audits Section - Sacramento  
Financial Audits Branch

Certified

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

**Provider:**  
ALPINE HOME III

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

**Provider Number:**  
LTC80250F

**Provider NPI:**  
1013927102

**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 )	1,800	1,800
2. Other Client Days (Adj )	210	210
3. Total Client Days	<u>2,010</u>	<u>2,010</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>428,850</u>	\$ <u>431,843</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>213.36</u>	\$ <u>214.85</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:  
ALPINE HOME III

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

Provider Number:  
LTC80250F

NPI:  
1013927102

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		\$ 11,621	\$	\$ 11,621
050	Leases and Rentals		806		806
055	Real Property Taxes		2,573		2,573
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance				0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 15,000	\$ 0	\$ 15,000
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance		\$ 4,529	\$	\$ 4,529
085	Utilities		9,424		9,424
090	Client Transportation	3	2,404	(146)	2,258
095	Dietary		8,400		8,400
100	Personal Care and Laundry		3,688		3,688
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 28,445	\$ (146)	\$ 28,299
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 43,445	\$ (146)	\$ 43,299
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$ 10,665	\$	\$ 10,665
120	QMRP Fringe Benefits		2,532		2,532
125	Lead Salaries	4	75,605	(619)	74,986
130	Lead Fringe Benefits		25,771		25,771
135	Aides Salaries		132,940		132,940
140	Aides Fringe Benefits		39,917		39,917
145	Other Salaries				0
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 287,430	\$ (619)	\$ 286,811

## SUMMARY OF AUDITED FACILITY EXPENSES

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ALPINE HOME III

Fiscal Period:  
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CONSULTANT COSTS</b>				
160	Dietician Consultant		\$ 1,260	\$	\$ 1,260
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant		1,750		1,750
175	Occupational Therapy Consultant		2,355		2,355
180	Pharmacist Consultant		300		300
185	Nurse Consultant				0
190	Psychologist Consultant				0
195	Physician Consultant		1,950		1,950
200	Recreational Consultant				0
205	Social Service Consultant				0
210	Other Consultant		2,950		2,950
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 10,565	\$ 0	\$ 10,565
	<b>EXPENSES: ADMINISTRATIVE COSTS</b>				
220	Administrative Salaries	4	\$ 18,029	\$ (532)	\$ 17,497
225	Administrative Fringe Benefits		29,122		29,122
226	Quality Assurance Fees	5	15,323	4,290	19,613
230	Other Administrative and General		24,936		24,936
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 87,410	\$ 3,758	\$ 91,168
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 428,850	\$ 2,993	\$ 431,843
	<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)		\$ 428,850	\$ 2,993	\$ 431,843

Provider Name		Fiscal Period		Provider Number		Adjustme		
ALPINE HOME III		JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		LTC80250F / 1013927102		5		
Adj. No.	DHS 3076 Page or Exhibit	Report References		Sch.	Line	As Reported	Increase (Decrease)	As Adjustec
		Cost Report	Audit Report					
Line	Col.	Line	Line					
1	4.1	155	4	2	155.00	\$287,431	(\$1)	\$287,430
<p>Total Client Care Staff Cost</p> <p>The total amount of client care staff costs reported on cost report page 4.1, column 4 did not properly foot. The total reported amount will be decreased by \$1 to properly reflect the total client care staff costs.</p>								
2	4.1	235	4	2	235.00	\$87,411	(\$1)	\$87,410
<p>Total Administrative Cost</p> <p>The total amount of administrative costs reported on cost report page 4.1, column 4 did not properly foot. The total reported amount will be decreased by \$1 to properly reflect the total administrative costs.</p>								

MEMORANDUM ADJUSTMENTS

