

**DEPARTMENT OF DEVELOPMENTAL SERVICES'**  
**AUDIT OF**  
**ANGEL CARE HOME HEALTH, INC.**

**Program:**

Home Health Agency – HE0507 and HD0205

Audit Period: July 1, 2018, through June 30, 2019

**Audit Section**

**Auditors:** Alimou Diallo, Acting Chief of Vendor Audit Unit  
Paul Huang, Auditor

**ANGEL CARE HOME HEALTH, INC.**  
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## **EXECUTIVE SUMMARY**

The Department of Developmental Services (DDS) has audited Angel Care Home Health, Inc. (ACHH). The audit was performed upon the Home Health Agency (HHA) program for the period of July 1, 2018, through June 30, 2019.

The result of the audit disclosed no issues of non-compliance.

## **BACKGROUND**

DDS is responsible, under the Lanterman Developmental Disabilities Services Act, for ensuring that persons with developmental disabilities receive the services and supports they need to lead more independent, productive and normal lives. DDS contracts with 21 private, nonprofit regional centers that provide fixed points of contact in the community for serving eligible individuals with developmental disabilities and their families in California. In order for regional centers to fulfill their objectives, they secure services and supports from qualified service providers and/or contractors. Pursuant to the Welfare and Institutions (W&I) Code, Section 4648.1, DDS has the authority to audit those service providers and/or contractors that provide services and supports to persons with developmental disabilities.

## **OBJECTIVE, SCOPE AND METHODOLOGY**

### **Objective**

The audit was conducted to determine whether ACHH's HHA program was compliant with the W&I Code, California Code of Regulations (CCR), Title 17, State and Federal laws and regulations and the regional centers' contracts with ACHH for the period of July 1, 2018, through June 30, 2019.

### **Scope**

The audit was conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. The auditors did not review the financial statements of ACHH, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of ACHH's internal controls to gain an understanding of the transaction flow and invoice preparation process, as necessary, to develop appropriate auditing procedures. The audit scope was limited to planning and performing audit procedures necessary to obtain reasonable assurance that ACHH complied with W&I Code and CCR, Title 17. Also, any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were reviewed and addressed during the course of the audit.

The audit scope was determined by reviewing the program provided to NLACRC, SGPRC, ELARC, HRC, IRC, and TCRC that utilized ACHH's services during the audit period. ACHH provided one type of services, which DDS audited. By analyzing the information received during a pre-audit meeting with the vendor, an internal control questionnaire and a risk analysis, it was determined that a two-month sample period would be sufficient to fulfill the audit objectives.

## **Home Health Agency**

During the audit period, ACHH operated one HHA program. The audit included the review of ACHH's HHA program, Vendor Numbers HE0507 and HD0205, SC 854, and testing was done for the sampled months of October 2018 and June 2019.

### **Methodology**

The following methodology was used by DDS to ensure the audit objectives were met. The methodology was designed to obtain a reasonable assurance that the evidence provided was sufficient and appropriate to support the findings and conclusions in relation to the audit objectives. The procedures performed included, but were not limited to, the following:

- Reviewed vendor files for contracts, rate letters, program designs, POS authorizations and correspondence pertinent to the review.
- Interviewed regional center staff for vendor background information and to obtain insight into the vendor's operations.
- Interviewed vendor staff and management to gain an understanding of the vendor's accounting procedures and processes for regional center billing.
- Obtained and reviewed the vendor's internal control questionnaire.
- Reviewed vendor service/attendance records to determine if the vendor had sufficient and appropriate evidence to support the direct care services billed to the regional center(s).
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

## **CONCLUSION**

The audit of ACHH revealed that this vendor maintained its records in accordance to the requirements of CCR, Title 17. For the sample months tested, DDS was able to obtain the evidence necessary to achieve the audit objectives. The billings for the HHA program audited were found to have sufficient, competent, and relevant evidence to support the direct-care hours billed.

## **VIEWS OF RESPONSIBLE OFFICIALS**

DDS issued a draft audit report on August 6, 2021. The areas of review and conclusion of the audit were discussed in an exit teleconference with ACHH on, August 12, 2021. ACHH responded via email on, August 12, 2021, that ACHH agreed with the conclusion of the audit report. See Attachment A for the full text of ACHH's response to the draft audit report.

## **RESTRICTED USE**

This report is solely for the information and use of DDS, the Department of Health Care Services, NLACRC, SGPRC, ELARC, HRC, IRC, TCRC and ACHH. This restriction is not intended to limit distribution of this report, which is a matter of public record.

## **ATTACHMENT A – VENDOR’S RESPONSE**

### **ANGEL CARE HOME HEALTH, INC.**

**The vendor agrees with the contents of the audit report. There were no audit findings. To request a copy of this document, please contact the DDS Audit Section at (916) 654-3695.**