

**DEPARTMENT OF DEVELOPMENTAL SERVICES'**  
**AUDIT OF**  
**BELL HOME CARE STAFFING, LLC**

**Program**

In-Home Respite Services Agency – HL0483

Audit Period: January 1, 2022, through December 31, 2022

**Audit Section**

**Auditors:** Hung Bang, Chief of Vendor Audit Unit  
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# BELL HOME CARE STAFFING, LLC

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## EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited Bell Home Care Staffing, LLC (BHCS). The audit was performed upon the In-Home Respite Services Agency (IHRSA) program for the period of January 1, 2022, through December 31, 2022.

The audit disclosed the following issues of non-compliance:

### **Finding 1: In-Home Respite Services Agency – Overbilling**

The review of BHCS's IHRSA program, Vendor Number HL0483, revealed that BHCS had a total of \$1,673 of overbilling to North Los Angeles County Regional Center (NLACRC).

### **Finding 2: In-Home Respite Services Agency – Unsupported Billings**

The review of BHCS's IHRSA program, Vendor Number HL0483, revealed that BHCS had a total of \$615 of unsupported billings to the NLACRC.

The total of the findings identified in this audit amount to \$2,288 which is due back to DDS. A detailed discussion of these findings is contained in the Findings and Recommendations section of this report.

## **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 BHCS's 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 BHCS for the period of January 1, 2022, through December 31, 2022.

### **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 BHCS, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of BHCS'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 BHCS complied with W&I Code and CCR, Title 17. Any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were also reviewed and addressed during the course of the audit.

The audit scope was determined by reviewing the programs and services provided to NLACRC that utilized BHCS's services during the audit period. BHCS provided two different types of services, of which DDS audited one. Services chosen by DDS were based on the amount of purchase of service (POS) expenditures invoiced by BHCS. By analyzing the information received from 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.

## **In-Home Respite Services Agency**

During the audit period, BHCS operated one IHRSA program. The audit included the review of BHCS's IHRSA program, Vendor Number HL0483, SC 862 and testing was done for the sampled months of March 2022 and April 2022.

### **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.
- E-mailed 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.
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

## **CONCLUSION**

Based upon items identified in the Findings and Recommendations section, BHCS had findings of non-compliance with the requirements of CCR, Title 17.

## **VIEWS OF RESPONSIBLE OFFICIALS**

DDS issued a draft audit report on February 1, 2024. BHCS was afforded the opportunity to discuss all of the findings identified in the audit report during an exit conference but choose to decline the exit conference on February 13, 2024. On March 14, 2024, BHCS responded via e-mail stating that BHCS agreed with the findings.

## **RESTRICTED USE**

This report is solely for the information and use of DDS, Department of Health Care Services (DHCS), NLACRC and BHCS. This restriction is not intended to limit distribution of this report, which is a matter of public record.

## FINDINGS AND RECOMMENDATIONS

### Finding 1: In-Home Respite Services Agency – Overbillings

The review of BHCS's IHRSA program, Vendor Number HL0483 for the sampled months of March 2022 and April 2022, revealed that BHCS had overbillings for services billed to NLACRC. Overbillings occurred due to billing for the same staff hours to two sibling consumers when a consumer was authorized on a 1:1 ratio.

DDS reviewed the direct care service hours documented on the employee timesheets and compared those hours to the direct care service hours billed to the NLACRC. DDS noted that 77 direct care service hours were not provided to consumers.

BHCS overbilled the NLACRC for a total of 77 hours. This resulted in an overbilled amount of \$1,673 and is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center's contract or authorization with the provider, or with applicable state laws or regulations.”

### **Recommendation:**

BHCS must reimburse to DDS \$1,673 for the overbillings. In addition, BHCS should provide services in accordance with the NLACRC contract and the authorization with BHCS in order to ensure that hours are accurately billed to the NLACRC at the authorized staffing ratio.

### **BHCS' Response:**

BHCS stated in the response, dated March 14, 2024, that it agreed with the finding.

See Attachment C for the full text of BHCS' response to the draft audit report and Attachment D for DDS' evaluation of BHCS' response.

## **Finding 2: In-Home Respite Services Agency – Unsupported Billings**

The review of BHCS's IHRS program, Vendor Number HL0483, for the sampled months of March 2022, and April 2022, revealed that BHCS had unsupported billings for services billed to NLACRC. Unsupported billings occurred due to a lack of supporting documentation for the units of service billed to NLACRC and non-compliance with the CCR, Title 17.

DDS reviewed the direct care service hours documented on the employee timesheets and compared those hours to the direct care service hours billed to NLACRC. DDS noted that the direct care service hours on the employee timesheets for April 2022 were 23 hours less than the direct care service hours billed to NLACRC. BHCS was not able to provide employee timesheets for 23 hours of services billed. The lack of documentation resulted in unsupported billings to NLACRC in the amount of \$615, which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1(e)(1) states:

- “(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:
  - (1) The services were not provided in accordance with the regional center’s contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(3) and (10) states:

- “(a) All vendors shall: ...
  - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery of the units of service billed: ...
  - (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 50604(d) and (e) states:

- “(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....
- (e) All service providers’ records shall be supported by source documentation.”



**Recommendation:**

BHCS must reimburse to DDS \$615 for the unsupported billings. In addition, BHCS should ensure that the number of hours billed are consistent with the number of hours reported on the timesheet.

**BHCS' Response:**

BHCS stated in the response, dated March 14, 2024, that it agreed with the finding.

See Attachment C for the full text of BHCS' response to the draft audit report and Attachment D for DDS' evaluation of BHCS' response.

## **ATTACHMENTS A-B**

### **BELL HOME CARE STAFFING, LLC**

**To request a copy of the attachments for this audit report, please contact the DDS Audit Section at (916) 654-3695.**

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

### **BELL HOME CARE STAFFING, LLC**

**To request a copy of the vendor’s response to the audit findings, please contact the DDS Audit Section at (916) 654-3695.**

## **ATTACHMENT D – DDS’ EVALUATION OF BHCS, LLC’S RESPONSE**

DDS evaluated BHCS, LLC’s written response to the draft audit report, dated March 14, 2024, and determined that BHCS, LLC agreed with the findings.