

DEPARTMENT OF DEVELOPMENTAL SERVICES'
AUDIT OF
ROZ HOME CARE LLC

Program:

In-Home Respite Services Agency – HM1244

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

Audit Section

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ROZ HOME CARE LLC

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EXECUTIVE SUMMARY

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

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 RHC's program were 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 RHC 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 RHC, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of RHC'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 RHC 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 programs and services provided to RCOC that utilized RHC's services during the audit period. RHC provided two different types of services, of which DDS audited one. Services chosen by DDS were based on the amount of purchase of services (POS) expenditures invoiced by RHC. 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, RHC operated one IHRSA program. The audit included the review of one of RHC's IHRSA program, Vendor Numbers HM1244, SC 862 and testing was done for the sampled months of June 2022 and July 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.
- 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.
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

CONCLUSION

The audit of RHC revealed that this vendor maintained its records in accordance to the requirements of CCR, Title 17. For the sampled months tested, DDS was able to obtain the evidence necessary to achieve the audit objectives. The billing for the 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 Tuesday, October 10, 2023. The areas of review and conclusion of the audit were discussed during an exit conference via Zoom with RHC on Thursday, October 12, 2023. RHC responded via e-mail on Thursday, October 12, 2023, that RHC agreed with the conclusion of the audit report.

RESTRICTED USE

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

ATTACHMENT A – VENDOR’S RESPONSE

ROZ HOME CARE, LLC

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.

ATTACHMENT B – DDS’ EVALUATION OF RHC’S RESPONSE

RHC’s response dated October 10, 2023, acknowledged and accepted DDS’ conclusion in the audit report. DDS accepts RHC response.