

**VALLEY FALLS TERRACE, INC.  
SPARTANBURG, SOUTH CAROLINA**

**CONTRACT PERIOD  
BEGINNING OCTOBER 1, 2013  
AC# 3-VFT-J2**

**AGREED-UPON PROCEDURES REPORT  
ON CONTRACT  
FOR  
PURCHASE OF NURSING CARE SERVICES  
WITH  
STATE OF SOUTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

# State of South Carolina



## Office of the State Auditor

1401 MAIN STREET, SUITE 1200  
COLUMBIA, S.C. 29201

RICHARD H. GILBERT, JR., CPA  
DEPUTY STATE AUDITOR

(803) 253-4160  
FAX (803) 343-0723

### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

August 25, 2015

Department of Health and Human Services  
State of South Carolina  
Columbia, South Carolina

We have performed the procedures enumerated below, which were agreed to by the South Carolina Department of Health and Human Services, solely to determine the reimbursement rate to be used by the Department in determining the reimbursement settlement with Valley Falls Terrace, Inc., for the contract period beginning October 1, 2013, and for the twelve month cost report period ended September 30, 2012. The management of Valley Falls Terrace, Inc. is responsible for the Financial and Statistical Report for Nursing Homes and supporting accounting and statistical records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the South Carolina Department of Health and Human Services. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. We considered the results of agreed-upon procedures applied to the reimbursable Medicaid program costs as shown on the Financial and Statistical Report for Nursing Homes, as filed by Valley Falls Terrace, Inc., for the cost report period ended September 30, 2011, to determine if the results, when applied to the cost report period ended September 30, 2012, would have a material effect on the interim Medicaid rate. We found no material effect on the applicable rate as a result of these procedures.
2. We applied limited analytical procedures to the statistical data and reimbursable Medicaid program costs as shown on the Financial and Statistical Report for Nursing Homes, as filed by Valley Falls Terrace, Inc., to identify significant changes in costs or statistics, if any, that would warrant the application of additional procedures. We found no significant changes as a result of these procedures.

3. We considered the results of our procedures and determined that there was no material effect on the Provider's interim Medicaid reimbursement rate as listed below:

<u>CONTRACT PERIOD</u>	<u>INTERIM MEDICAID RATE</u>
October 1, 2013 – September 30, 2014	\$154.41

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the financial statements or a part thereof. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the South Carolina Department of Health and Human Services and is not intended to be and should not be used by anyone other than the specified party.



Richard H. Gilbert, Jr., CPA  
Deputy State Auditor