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Department of

SOCIAL SERVICES

Community Care Licensing

COMPLAINT INVESTIGATION REPORT

Facility Number: 191500496
Report Date: 05/14/2026
Date Signed: 05/14/2026 11:04:27 AM

Unfounded

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY **COMPLAINT INVESTIGATION REPORT**	CALIFORNIA DEPARTMENT OF SOCIAL SERVICES COMMUNITY CARE LICENSING DIVISION CCLD Regional Office, 1000 CORPORATE CNTR DR. ST 500 MONTEREY PARK, CA 91754

This is an official report of an unannounced visit/investigation of a complaint received in our office on **03/25/2025** and conducted by Evaluator Nune Margaryan

PUBLIC	COMPLAINT CONTROL NUMBER: 28-AS-20250325170056

FACILITY NAME:	MOUNT SAN ANTONIO GARDENS			**FACILITY NUMBER:**	191500496
ADMINISTRATOR:	JOYCE FREMPONG			**FACILITY TYPE:**	741
ADDRESS:	900 EAST HARRISON AVENUE			**TELEPHONE:**	(909) 624-5061
CITY:	POMONA	**STATE:** CA		**ZIP CODE:**	91767
CAPACITY:	520	**CENSUS:** 422		**DATE:**	05/14/2026
		UNANNOUNCED		**TIME BEGAN:**	10:00 AM
MET WITH:	Lindsay Mullen and Lisa Atilano			**TIME COMPLETED:**	11:00 AM

ALLEGATION(S):

1	Facility is in financial distress.
2	Licensee misrepresented their financial obligations under law.
3	Facility did not raise rates in accordance with the applicable statutes.
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INVESTIGATION FINDINGS:

1	Licensing Program Analysts (LPA) Nune Margaryan conducted an unannounced subsequent complaint
2	visit to deliver complaint findings regarding the allegations listed above. LPA Margaryan met with
3	Assistant Director Lindsay Mullen and Chief Operating Officer Lisa Atilano and explained the purpose of
4	visit.
5	
6	This complaint is assigned, investigated, and completed by the Continuing Care Contracts Bureau. The
7	initial visit was conducted by LPA Elizabeth Irra on 04/03/25. During the initial visit, LPA Irra obtained a
8	copy of the resident and staff rosters and documents related to this complaint.
9	
10	Continue 9099C
11	
12	
13	

Unfounded	Estimated Days of Completion:

SUPERVISORS NAME: Wei Siew Ho
LICENSING EVALUATOR NAME: Nune Margaryan
LICENSING EVALUATOR SIGNATURE:
DATE: 05/14/2026

I acknowledge receipt of this form and understand my licensing appeal rights as explained and received.

FACILITY REPRESENTATIVE SIGNATURE:
DATE: 05/14/2026

This report must be available at Child Care and Group Home facilities for public review for 3 years.

Control Number 28-AS-20250325170056

FACILITY NAME: MOUNT SAN ANTONIO GARDENS **FACILITY NUMBER:** 191500496
VISIT DATE: 05/14/2026

NARRATIVE

On 03/25/2025, the Department received a complaint alleging that, “facility is in financial distress,” “licensee misrepresented their financial obligations under law,” and “facility did not raise rates in accordance with the applicable statutes.” Throughout the course of the investigation the Department conducted interviews and reviewed documentation relevant to the allegations. During the investigation, the Department reviewed the provider’s audited financial statements for Fiscal Years (FY) 2022 through 2025 regarding the allegation that the facility is in financial distress. The audited financial statements reviewed found that the provider is not in financial distress. Although the provider reported an operating loss of approximately $3.4 million, the loss included a non-cash depreciation expense of approximately $5.8 million. Additional revenues generated through investments and interest income offset the operating loss and resulted in a positive overall bottom line. From a cash flow perspective, the FY2025 Statement of Cash Flows reflected net cash from operating activities of approximately $10.4 million. The investigation found that this operating cash flow allowed the provider to fund investing activities, including equipment purchases and investments in financial securities, as well as financing activities such as long-term debt payments. With respect to liquidity, the documentation showed that the provider consistently maintained more than 400 Days Cash on Hand, representing approximately $48 million in cash and cash equivalents, as well as a current ratio exceeding 1:1. The Department also confirmed that the provider met the Continuing Care Contract Bureau reserve requirements for both operating reserves and debt service reserves. As of Fiscal Year End 2025, the required operating reserve of approximately $6.3 million was exceeded by approximately $33.5 million, and the required debt service reserve of approximately $3.25 million was exceeded by approximately $4.93 million. The Department also reviewed concerns related to the provider’s Homeship Fund (Fund), which may be available to residents who become unable to pay monthly care and service fees or other charges. Department staff confirmed that the Fund is maintained as a restricted asset on the Statement of Financial Position and that participation in the program is subject to specific qualifications and alternative payment arrangements agreed upon by the resident and the provider.

Continue 9099C

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NARRATIVE

Analysis of the Fund reflected an overall decrease in value from approximately $1.8 million at Fiscal Year End 2020 to approximately $1.0 million at Fiscal Year End 2025, representing a decline of approximately 45%, with the most significant decrease occurring during Fiscal Year 2022. However, it was discovered that the provider's Board of Directors has access to approximately $29.6 million in other limited-use funds that could potentially be utilized for this purpose. Additionally, the Fund continues to receive support through donations, bequests, and charitable gift annuities. During the investigation, the Department investigated the allegation licensee misrepresented their financial obligations under law, specifically if the provider misrepresented to their residents that they were subject to the requirements of Senate Bill (SB) 525. SB 525 applies to: *"Residential Care Facilities for the Elderly that are affiliated with an acute care provider or owned, operated, or controlled by a general acute care hospital."* Based on the information reviewed, Department staff determined that the facility is not owned, operated, or controlled by a general acute care hospital and therefore is not directly subject to the requirements of SB 525. The Department further reviewed information related to the provider's June 2024 employee wage increases. Documentation and statements provided during the investigation reflected that the provider implemented compensation adjustments in response to labor market pressures and broader wage increases occurring throughout the healthcare and senior living sectors and that the organization believed adjustments were necessary in order to remain competitive and maintain the quality of care and services provided to residents. While investigating the allegation, facility did not raise rates in accordance with the applicable statutes, the Department reviewed the Attachment to Form 7-1 included within the providers 2025 Annual Report for information related to the monthly care fee increase (MCFI) that became effective on October 1, 2024. Pursuant to Health and Safety Code section 1788(a)(22), monthly care fees are to be based upon projected costs, prior year per capita costs, and economic indicators. The documentation confirmed that the provider's methodology for calculating the MCFI incorporated projected costs and consideration of economic indicators, as required by statute.

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NARRATIVE

Documentation review further reflected that the provider's projected Fiscal Year 2025 operating costs to exceed projected revenues, resulting in a budgeted operating deficit, as detailed within Form 7-1.

Based on interviews, documents reviewed, and the financial analysis conducted, the Department has determined that the allegations of: facility is in financial distress, licensee misrepresented their financial obligations under law, and facility did not raise rates in accordance with the applicable statutes, are **unfounded.** A finding that the complaint is unfounded means that the allegations were false, could not have happened and/or is without a reasonable basis.

Exit interview is conducted with Chief Operating Officer Lisa Atilano and the copy of this report is provided.

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