

**REPORT  
ON THE  
COST REPORT REVIEW**

**DESERT VALLEY HOSPITAL  
VICTORVILLE, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1851396576**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

**Audits Section—Rancho Cucamonga  
Financial Audits Branch  
Audits and Investigations  
Department of Health Care Services**

**Section Chief: Julio M. Cueto  
Audit Supervisor: Bina Matani  
Auditor: James Cheng**



TOBY DOUGLAS  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

November 7, 2013

Pete Lou, Controller  
Inland Valley Region  
Prime Healthcare Services, Inc.  
3300 East Guasti Road, 2<sup>nd</sup> Floor  
Ontario, CA 91761

DESERT VALLEY HOSPITAL  
NATIONAL PROVIDER IDENTIFIER (NPI) 1851396576  
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the provider's Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the audited settlement for the fiscal period due the State in the amount of \$1,846,824 presented in the Summary of Findings represents a proper determination in accordance with the reimbursement principles of applicable programs.

This audit report includes the:

1. Summary of Findings
2. Computation of Medi-Cal Reimbursement Settlement (NONCONTRACT Schedules)
3. Audit Adjustments Schedule

The audited settlement will be incorporated into a Statement(s) of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement(s) of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement(s) of Account Status.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

Pete Lou  
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If you disagree with the decision of the Department, you may appeal by writing to:

Chief  
Department of Health Care Services  
Office of Administrative Hearings and Appeals  
1029 J Street, Suite 200  
Sacramento, CA 95814  
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

**United States Postal Service (USPS)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
PO Box 997413  
Sacramento, CA 95899

**Courier (UPS, FedEx, etc.)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
1501 Capitol Avenue, Suite 71.5001  
Sacramento, CA 95814  
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and California Code of Regulations, Title 22, Section 51016, et seq.

If you have questions regarding this report, you may call the Audits Section—Rancho Cucamonga at (909) 481-3420.

Original Signed By

Julio M. Cueto, Chief  
Audits Section—Rancho Cuamonga  
Financial Audits Branch

Certified

**SUMMARY OF FINDINGS**

**Provider Name:**  
**DESERT VALLEY HOSPITAL**

**Fiscal Period Ended:**  
**DECEMBER 31, 2011**

		SETTLEMENT	COST
<b>1. Medi-Cal Noncontract Settlement (SCHEDULE 1)</b> <b>Provider NPI: 1851396576</b>	Reported	\$ (1,293,816)	
	Net Change	\$ (553,007)	
	Audited Amount Due Provider (State)	\$ (1,846,824)	
<b>2. Subprovider I (SCHEDULE 1-1)</b> <b>Provider NPI:</b>	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>3. Subprovider II (SCHEDULE 1-2)</b> <b>Provider NPI:</b>	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>4. Medi-Cal Contract Cost (CONTRACT SCH 1)</b> <b>Provider NPI:</b>	Reported		\$ 0
	Net Change		\$ 0
	Audited Cost		\$ 0
	Audited Amount Due Provider (State)	\$ 0	
<b>5. Distinct Part Nursing Facility (DPNF SCH 1)</b> <b>Provider NPI:</b>	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>6. Distinct Part Nursing Facility (DPNF SCH 1-1)</b> <b>Provider NPI:</b>	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>7. Adult Subacute (ADULT SUBACUTE SCH 1)</b> <b>Provider NPI:</b>	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>8. Total Medi-Cal Settlement</b> <b>Due Provider (State) - (Lines 1 through 7)</b>		\$ (1,846,824)	
<b>9. Total Medi-Cal Cost</b>			\$ 0

**SUMMARY OF FINDINGS**

**Provider Name:**  
**DESERT VALLEY HOSPITAL**

**Fiscal Period Ended:**  
**DECEMBER 31, 2011**

		SETTLEMENT	COST
<b>10. Subacute (SUBACUTE SCH 1-1)</b>	<b>Provider NPI:</b>		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)		\$ 0	
<b>11. Rural Health Clinic (RHC SCH 1)</b>	<b>Provider NPI:</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>12. Rural Health Clinic (RHC 95-210 SCH 1)</b>	<b>Provider NPI:</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>13. Rural Health Clinic (RHC 95-210 SCH 1-1)</b>	<b>Provider NPI:</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>14. County Medical Services Program (CMSP SCH 1)</b>	<b>Provider NPI:</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>15. Transitional Care (TC SCH 1)</b>	<b>Provider NPI:</b>		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)		\$ 0	
<b>16. Total Other Settlement</b>	<b>Due Provider - (Lines 10 through 15)</b>	\$ 0	
<b>17. Total Combined Audited Settlement Due</b>	<b>Provider (State/CMSP/RHC) - (Line 8 + Line 16)</b>	\$ (1,846,824)	

## COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

Provider NPI:  
1851396576

		REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Schedule 3)		\$ <u>7,186,262</u>	\$ <u>7,074,927</u>
2. Excess Reasonable Cost Over Charges (Schedule 2)		\$ <u>0</u>	\$ <u>0</u>
3. Medi-Cal Inpatient Hospital Based Physician Services		\$ <u>0</u>	\$ <u>N/A</u>
4.	\$	\$ <u>0</u>	\$ <u>0</u>
5. TOTAL COST-Reimbursable to Provider (Lines 1 through 4)		\$ <u>7,186,262</u>	\$ <u>7,074,927</u>
6. Interim Payments (Adj 18)		\$ <u>(8,480,078)</u>	\$ <u>(8,653,668)</u>
7. Balance Due Provider (State)		\$ <u>(1,293,816)</u>	\$ <u>(1,578,741)</u>
8. Medi-Cal Overpayments (Adjs 20, 21)		\$ <u>0</u>	\$ <u>(35,587)</u>
9. AB 5 and AB 1183 Reductions-Schedule A (Adj 1)		\$ <u>0</u>	\$ <u>(232,496)</u>
10.	\$	\$ <u>0</u>	\$ <u>0</u>
11. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)		\$ <u><u>(1,293,816)</u></u>	\$ <u><u>(1,846,824)</u></u>
			(To Summary of Findings)

COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT  
AB 5 and AB 1183 - SUMMARY OF REDUCTIONSProvider Name:  
DESERT VALLEY HOSPITALFiscal Period Ended:  
DECEMBER 31, 2011Provider NPI:  
1851396576

1. 10% Reduction to Noncontract Services for 07/01/08 Through 9/30/08 (SCHEDULE A-1)	\$ <u>0</u>
2. Reduction to Noncontract Services for 10/01/08 Through 04/05/09 (SCHEDULE A-2)	<u>0</u>
3. 10% Reduction to Noncontract Services for 01/01/11 Through 04/12/11 (SCHEDULE A-3)	<u>232,496</u>
4. 10% Reduction to HFPAs < 3 Hospitals for 07/01/08 Through 04/12/11 (SCHEDULE A-4)	<u>0</u>
5. 10% Reduction to Rural Health Hospitals for 07/01/08 Through 10/31/08 (SCHEDULE A-5)	<u>0</u>
6. 10% Reduction to Rural Health Hospitals for 07/01/09 Through 02/23/10 (SCHEDULE A-6)	<u>0</u>
7. Total Noncontract AB 5 AND AB 1183 Reductions	\$ <u><u>232,496</u></u> (To Schedule 1, Line 9)

**COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT**  
**AB 5 - 10% REDUCTION TO SERVICES FROM APRIL 6, 2009 THROUGH April 12, 2011 - NONCONTRACT HOSPITALS**

**Provider Name:**  
**DESERT VALLEY HOSPITAL**

**Fiscal Period Ended:**  
**DECEMBER 31, 2011**

**Provider NPI:**  
**1851396576**

**Audited Medi-Cal Cost Per Day**

1. Medi-Cal Cost of Covered Services (Schedule 3, Line 8)	\$ <u>7,225,731</u>
2. Less: Medi-Cal Administrative Day Cost (Schedule 4A, Lines 28 and 31)	<u>0</u>
3. Less: Medi-Cal Administrative Ancillary Cost (Schedule A-7)	<u>0</u>
4. Total Medi-Cal Cost of Covered Services Subject to Reductions (Line 1 - Lines 2 and 3)	\$ <u><u>7,225,731</u></u>
5. Total Audited Medi-Cal Days (Schedules 4, 4A and 4B, excludes Administrative Days)	<u><u>4,111.75</u></u>
6. Audited Medi-Cal Cost Per Day (Line 4 / Line 5)	\$ <u><u>1,757.34</u></u>

**AB 5 - 10 % Cost Reduction For Services From 01/01/11 Through 04/12/11**

7. Audited Medi-Cal Days of Service from 01/01/11 Through 04/12/11(excludes Administrative Days)	<u>1,323.00</u>
8. Audited Medi-Cal Cost Per Day For 01/01/11 Through 04/12/11(Line 6 * Line 7)	\$ <u>2,324,957</u>
9. AB 5 - 10% Cost Reduction for 01/01/11 Through 04/12/11 (Line 8 * 10%)	\$ <u><u>232,496</u></u> (To Schedule A, Line 3)

COMPUTATION OF LESSER OF  
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGESProvider Name:  
DESERT VALLEY HOSPITALFiscal Period Ended:  
DECEMBER 31, 2011Provider NPI:  
1851396576

REPORTED

AUDITED

## REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Schedule 3) \$ 7,338,205 \$ 7,225,731

## CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adj 16) \$ 11,005,932 \$ 12,590,8423. Inpatient Ancillary Service Charges (Adj 16) \$ 26,177,883 \$ 26,474,9764. Total Charges - Medi-Cal Inpatient Services \$ 37,183,815 \$ 39,065,8185. Excess of Customary Charges Over Reasonable Cost  
(Line 4 minus Line 1) \* \$ 29,845,610 \$ 31,840,0876. Excess of Reasonable Cost Over Customary Charges  
(Line 1 minus Line 4) \$ 0 \$ 0  
(To Schedule 1)

\* If charges exceed reasonable cost, no further calculation necessary for this schedule.

COMPUTATION OF  
MEDI-CAL NET COSTS OF COVERED SERVICESProvider Name:  
DESERT VALLEY HOSPITALFiscal Period Ended:  
DECEMBER 31, 2011Provider NPI:  
1851396576

	REPORTED	AUDITED
1. Medi-Cal Inpatient Ancillary Services (Schedule 5)	\$ 3,025,733	\$ 3,000,386
2. Medi-Cal Inpatient Routine Services (Schedule 4)	\$ 4,312,472	\$ 4,225,345
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch )	\$ 0	\$ 0
4. \$ \$	0	0
5. \$ \$	0	0
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ 7,338,205	\$ 7,225,731
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Schedule 7)	\$ (See Schedule 1)	\$ 0
8. SUBTOTAL	\$ 7,338,205	\$ 7,225,731
	(To Schedule 2)	
9. Medi-Cal Deductible (Adj )	\$ (28,771)	\$ (28,771)
10. Medi-Cal Coinsurance (Adj 17)	\$ (123,172)	\$ (122,033)
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ 7,186,262	\$ 7,074,927
	(To Schedule 1)	

COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:  
DESERT VALLEY HOSPITALFiscal Period Ended:  
DECEMBER 31, 2011Provider NPI:  
1851396576

## GENERAL SERVICE UNIT NET OF SWING-BED COSTS

REPORTED	AUDITED
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## INPATIENT DAYS

1. Total Inpatient Days (include private & swing-bed) (Adj )	20,441	20,441
2. Inpatient Days (include private, exclude swing-bed)	20,441	20,441
3. Private Room Days (exclude swing-bed private room) (Adj )	0	0
4. Semi-Private Room Days (exclude swing-bed) (Adj )	20,441	20,441
5. Medicare NF Swing-Bed Days through Dec 31 (Adj )	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj )	0	0
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj )	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj )	0	0
9. Medi-Cal Days (excluding swing-bed) (Adjs 14, 19)	2,595.00	2,606.25

## SWING-BED ADJUSTMENT

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj )	\$ 0.00	\$ 0.00
18. Medicare NF Swing-Bed Rates after Dec 31 (Adj )	\$ 0.00	\$ 0.00
19. Medi-Cal NF Swing-Bed Rates through July 31 (Adj )	\$ 0.00	\$ 0.00
20. Medi-Cal NF Swing-Bed Rates after July 31 (Adj )	\$ 0.00	\$ 0.00
21. Total Routine Serv Cost (Sch 8, Line 30, Col 27)	\$ 16,473,193	\$ 16,130,672
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 0
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 0
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 0	\$ 0
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 16,473,193	\$ 16,130,672

## PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)	\$ 60,185,800	\$ 60,185,800
29. Private Room Charges (excluding swing-bed charges)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges)	\$ 60,185,800	\$ 60,185,800
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 ÷ L 28)	\$ 0.273706	\$ 0.268015
32. Average Private Room Per Diem Charge (L 29 ÷ L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 ÷ L 4)	\$ 2,944.37	\$ 2,944.37
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 16,473,193	\$ 16,130,672

## PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 ÷ L 2)	\$ 805.89	\$ 789.13
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 2,091,285	\$ 2,056,670
40. Cost Applicable to Medi-Cal (Sch 4A)	\$ 2,221,187	\$ 2,168,675
41. Cost Applicable to Medi-Cal (Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39,40 & 41)	\$ 4,312,472	\$ 4,225,345

( To Schedule 3 )

COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COST

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

Provider NPI:  
1851396576

SPECIAL CARE AND/OR NURSERY UNITS	REPORTED	AUDITED
<b>NURSERY</b>		
1. Total Inpatient Routine Cost (Sch 8, Line 43, Col 27)	\$ 0	\$ 0
2. Total Inpatient Days (Adj )	0	0
3. Average Per Diem Cost	\$ 0.00	\$ 0.00
4. Medi-Cal Inpatient Days (Adj )	0	0
5. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>INTENSIVE CARE UNIT</b>		
6. Total Inpatient Routine Cost (Sch 8, Line 31, Col 27)	\$ 4,083,074	\$ 4,001,801
7. Total Inpatient Days (Adj )	1,906	1,906
8. Average Per Diem Cost	\$ 2,142.22	\$ 2,099.58
9. Medi-Cal Inpatient Days (Adjs 14, 19)	220.00	223.50
10. Cost Applicable to Medi-Cal	\$ 471,288	\$ 469,256
<b>CORONARY CARE UNIT</b>		
11. Total Inpatient Routine Cost (Sch 8, Line 32, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj )	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj )	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>BURN INTENSIVE CARE UNIT</b>		
16. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj )	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
19. Medi-Cal Inpatient Days (Adj )	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>SURGICAL INTENSIVE CARE UNIT</b>		
21. Total Inpatient Routine Cost (Sch 8, Line 34, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj )	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj )	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>LDRP UNIT</b>		
26. Total Inpatient Routine Cost (Sch 8, Line 35, Col 27)	\$ 3,348,753	\$ 3,262,290
27. Total Inpatient Days (Adj )	2,461	2,461
28. Average Per Diem Cost	\$ 1,360.73	\$ 1,325.60
29. Medi-Cal Inpatient Days (Adjs 14, 19)	1,286.00	1,282.00
30. Cost Applicable to Medi-Cal	\$ 1,749,899	\$ 1,699,419
<b>ADMINISTRATIVE DAYS</b>		
31. Per Diem Rate (Adj )	\$ 0.00	\$ 0.00
32. Medi-Cal Inpatient Days (Adj )	0	0
33. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>ADMINISTRATIVE DAYS</b>		
34. Per Diem Rate (Adj )	\$ 0.00	\$ 0.00
35. Medi-Cal Inpatient Days (Adj )	0	0
36. Cost Applicable to Medi-Cal	\$ 0	\$ 0
37. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,28,31)	\$ 2,221,187	\$ 2,168,675

(To Schedule 4)

COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COST

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

Provider NPI:  
1851396576

SPECIAL CARE UNITS	REPORTED	AUDITED
1. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
2. Total Inpatient Days (Adj )	0	0
3. Average Per Diem Cost	\$ 0.00	\$ 0.00
4. Medi-Cal Inpatient Days (Adj )	0	0
5. Cost Applicable to Medi-Cal	\$ 0	\$ 0
6. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
7. Total Inpatient Days (Adj )	0	0
8. Average Per Diem Cost	\$ 0.00	\$ 0.00
9. Medi-Cal Inpatient Days (Adj )	0	0
10. Cost Applicable to Medi-Cal	\$ 0	\$ 0
11. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj )	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj )	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
16. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj )	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
19. Medi-Cal Inpatient Days (Adj )	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
21. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj )	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj )	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
25. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
26. Total Inpatient Days (Adj )	0	0
28. Average Per Diem Cost	\$ 0.00	\$ 0.00
29. Medi-Cal Inpatient Days (Adj )	0	0
30. Cost Applicable to Medi-Cal	\$ 0	\$ 0
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$ 0	\$ 0

(To Schedule 4)

SCHEDULE OF MEDI-CAL ANCILLARY COSTS

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

Provider NPI:  
1851396576

		TOTAL ANCILLARY COST *	TOTAL ANCILLARY CHARGES (Adj)	RATIO COST TO CHARGES	MEDI-CAL CHARGES (From Schedule 6)	MEDI-CAL COST
<b>ANCILLARY COST CENTERS</b>						
50.00	Operating Room	\$ 3,225,176	\$ 19,351,621	0.166662	\$ 2,800,042	\$ 466,660
51.00	Recovery Room	0	0	0.000000	0	0
52.00	Labor Room and Delivery Room	0	0	0.000000	0	0
53.00	Anesthesiology	0	0	0.000000	0	0
54.00	Radiology-Diagnostic	3,267,181	38,769,867	0.084271	2,599,988	219,104
55.00	Radiology-Therapeutic	0	0	0.000000	0	0
56.00	Radioisotope	0	0	0.000000	0	0
57.00	Computed Tomography (CT) Scan	0	0	0.000000	0	0
58.00	Magnetic Resonance Imaging (MRI)	0	0	0.000000	0	0
59.00	Cardiac Catheterization	1,319,676	14,045,113	0.093960	957,767	89,992
60.00	Laboratory	6,384,711	33,431,344	0.190980	2,772,227	529,439
61.00	PBP Clinical Laboratory Services-Program Only	0	0	0.000000	0	0
62.00	Whole Blood & Packed Red Blood Cells	0	0	0.000000	0	0
63.00	Blood Storing, Processing, & Trans.	0	0	0.000000	0	0
64.00	Intravenous Therapy	0	0	0.000000	0	0
65.00	Respiratory Therapy	2,072,808	16,495,387	0.125660	1,590,365	199,845
66.00	Physical Therapy	615,091	2,000,407	0.307483	160,403	49,321
67.00	Occupational Therapy	0	0	0.000000	0	0
68.00	Speech Pathology	0	0	0.000000	0	0
69.00	Electrocardiology	163,951	6,344,842	0.025840	315,486	8,152
70.00	Electroencephalography	0	0	0.000000	0	0
71.00	Medical Supplies Charged to Patients	2,087,913	47,298,726	0.044143	5,612,317	247,745
72.00	Implantable Devices Charged to Patients	4,389,791	29,582,240	0.148393	1,336,415	198,314
73.00	Drugs Charged to Patients	4,345,300	38,790,307	0.112020	6,245,058	699,573
74.00	Renal Dialysis	247,872	690,078	0.359194	98,177	35,265
75.00	ASC (Non-Distinct Part)	0	0	0.000000	0	0
76.00	Other Ancillary (specify)	0	0	0.000000	0	0
77.00		0	0	0.000000	0	0
78.00		0	0	0.000000	0	0
79.00		0	0	0.000000	0	0
80.00		0	0	0.000000	0	0
81.00		0	0	0.000000	0	0
82.00		0	0	0.000000	0	0
83.00		0	0	0.000000	0	0
84.00		0	0	0.000000	0	0
85.00		0	0	0.000000	0	0
86.00		0	0	0.000000	0	0
87.00		0	0	0.000000	0	0
87.01		0	0	0.000000	0	0
88.00	Rural Health Clinic (RHC)	0	0	0.000000	0	0
89.00	Federally Qualified Health Center (FQHC)	0	0	0.000000	0	0
90.00	Clinic	0	0	0.000000	0	0
91.00	Emergency	7,142,493	55,219,972	0.129346	1,986,731	256,976
92.00	Observation Beds	0	0	0.000000	0	0
93.00	Other Outpatient Services (Specify)	0	0	0.000000	0	0
93.01		0	0	0.000000	0	0
93.02		0	0	0.000000	0	0
93.03		0	0	0.000000	0	0
93.04		0	0	0.000000	0	0
93.05		0	0	0.000000	0	0
<b>TOTAL</b>		<b>\$ 35,261,961</b>	<b>\$ 302,019,904</b>		<b>\$ 26,474,976</b>	<b>\$ 3,000,386</b>

(To Schedule 3)

\* From Schedule 8, Column 26

## ADJUSTMENTS TO MEDI-CAL CHARGES

Provider Name:  
DESERT VALLEY HOSPITALFiscal Period Ended:  
DECEMBER 31, 2011Provider NPI:  
1851396576

ANCILLARY CHARGES		REPORTED	ADJUSTMENTS (Adj 15)	AUDITED
50.00	Operating Room	\$ 2,787,400	\$ 12,642	\$ 2,800,042
51.00	Recovery Room			0
52.00	Labor Room and Delivery Room			0
53.00	Anesthesiology			0
54.00	Radiology-Diagnostic	2,576,361	23,627	2,599,988
55.00	Radiology-Therapeutic			0
56.00	Radioisotope			0
57.00	Computed Tomography (CT) Scan			0
58.00	Magnetic Resonance Imaging (MRI)			0
59.00	Cardiac Catheterization	948,638	9,129	957,767
60.00	Laboratory	2,729,204	43,023	2,772,227
61.00	PBP Clinical Laboratory Services-Program Only			0
62.00	Whole Blood & Packed Red Blood Cells			0
63.00	Blood Storing, Processing, & Trans.			0
64.00	Intravenous Therapy			0
65.00	Respiratory Therapy	1,550,599	39,766	1,590,365
66.00	Physical Therapy	157,916	2,487	160,403
67.00	Occupational Therapy			0
68.00	Speech Pathology			0
69.00	Electrocardiology	312,446	3,040	315,486
70.00	Electroencephalography			0
71.00	Medical Supplies Charged to Patients	5,567,855	44,462	5,612,317
72.00	Implantable Devices Charged to Patients	1,296,481	39,934	1,336,415
73.00	Drugs Charged to Patients	6,186,226	58,832	6,245,058
74.00	Renal Dialysis	98,177	0	98,177
75.00	ASC (Non-Distinct Part)			0
76.00	Other Ancillary (specify)			0
77.00				0
78.00				0
79.00				0
80.00				0
81.00				0
82.00				0
83.00				0
84.00				0
85.00				0
86.00				0
87.00				0
87.01				0
88.00	Rural Health Clinic (RHC)			0
89.00	Federally Qualified Health Center (FQHC)			0
90.00	Clinic			0
91.00	Emergency	1,966,580	20,151	1,986,731
92.00	Observation Beds			0
93.00	Other Outpatient Services (Specify)			0
93.01				0
93.02				0
93.03				0
93.04				0
93.05				0
TOTAL MEDI-CAL ANCILLARY CHARGES		\$ 26,177,883	\$ 297,093	\$ 26,474,976

(To Schedule 5)













Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

TRIAL BALANCE EXPENSES	ALLOC COST 3.09	EMPLOYEE BENEFITS 4.00	ALLOC COST 5.01	ALLOC COST 5.02	ALLOC COST 5.03	ALLOC COST 5.04	ALLOC COST 5.05	ALLOC COST 5.06	ALLOC COST 5.07	ALLOC COST 5.08	ACCUMULATE COST	ADMINIS- TRATIVE & GENERAL 5.00
105.00 Kidney Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
106.00 Heart Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
107.00 Liver Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
108.00 Lung Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
109.00 Pancreas Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
110.00 Intestinal Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
111.00 Islet Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
112.00 Other Organ Acquisition (specify)	0	0	0	0	0	0	0	0	0	0	0	0
113.00 Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0
114.00 Utilization Review-SNF	0	0	0	0	0	0	0	0	0	0	0	0
115.00 Ambulatory Surgical Center (Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
116.00 Hospice	0	0	0	0	0	0	0	0	0	0	0	0
117.00 Other Special Purpose (specify)	0	0	0	0	0	0	0	0	0	0	0	0
190.00 Gift, Flower, Coffee Shop, & Canteen	0	0	0	0	0	0	0	0	0	0	0	0
191.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
192.00 Physicians' Private Offices	0	0	0	0	0	0	0	0	0	0	51,549	9,418
193.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
194.01 MOB	0	0	0	0	0	0	0	0	0	0	2,235,272	408,378
194.02 Marketing	0	1,055	0	0	0	0	0	0	0	0	520,805	95,150
194.03 Physicians Meals	0	401	0	0	0	0	0	0	0	0	84,183	15,380
194.04	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	<u>0</u>	<u>361,278</u>	<u>0</u>	<u>64,366,387</u>	<u>9,942,999</u>							





Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

TRIAL BALANCE EXPENSES	MAINT & REPAIR 6.00	OPERATION OF PLANT 7.00	LAUNDRY & LINEN 8.00	HOUSEKEEP 9.00	DIETARY 10.00	CAFETERIA 11.00	MAINT OF PERSONNEL 12.00	NURSING ADMIN 13.00	CENTRAL SERVICE & SUPPLY 14.00	PHARMACY 15.00	MEDICAL RECORDS & LIBRARY 16.00	SOCIAL SERVICE 17.00
105.00 Kidney Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
106.00 Heart Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
107.00 Liver Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
108.00 Lung Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
109.00 Pancreas Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
110.00 Intestinal Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
111.00 Islet Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
112.00 Other Organ Acquisition (specify)	0	0	0	0	0	0	0	0	0	0	0	0
113.00 Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0
114.00 Utilization Review-SNF	0	0	0	0	0	0	0	0	0	0	0	0
115.00 Ambulatory Surgical Center (Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
116.00 Hospice	0	0	0	0	0	0	0	0	0	0	0	0
117.00 Other Special Purpose (specify)	0	0	0	0	0	0	0	0	0	0	0	0
190.00 Gift, Flower, Coffee Shop, & Canteen	0	0	0	0	0	0	0	0	0	0	0	0
191.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
192.00 Physicians' Private Offices	11,506	22,413	0	13,033	0	0	0	0	0	0	0	0
193.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
194.01 MOB	498,915	971,899	0	565,123	0	0	0	0	0	0	0	0
194.02 Marketing	50,337	98,058	0	57,017	0	1,227	0	0	0	0	0	0
194.03 Physicians Meals	0	0	0	0	0	0	0	0	0	0	0	0
194.04	0	0	0	0	0	0	0	0	0	0	0	0
	0											
TOTAL	<u>1,411,100</u>	<u>2,530,304</u>	<u>382,786</u>	<u>1,455,259</u>	<u>1,306,129</u>	<u>502,302</u>	<u>0</u>	<u>1,706,011</u>	<u>313,110</u>	<u>1,522,309</u>	<u>1,549,724</u>	<u>0</u>





Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

TRIAL BALANCE EXPENSES	OTHER GEN	NONPHYSICIAN	NURSING	I & R SVC	I&R OTHER	PARAMEDICAL	ALLOC	ALLOC	SUBTOTAL	POST	TOTAL
	SVC	ANESTHETIST	SCHOOL	SAL & BENEFITS	PROGRAM	EDUCATION	COST	COST		STEP-DOWN	COST
	(SPECIFIC)				COSTS	PROGRAM	23.01	23.02	24.00	ADJUSTMENT	26.00
	18.00	19.00	20.00	21.00	22.00	23.00				25.00	
105.00 Kidney Acquisition	0	0	0	0	0	0	0	0	0	0	0
106.00 Heart Acquisition	0	0	0	0	0	0	0	0	0	0	0
107.00 Liver Acquisition	0	0	0	0	0	0	0	0	0	0	0
108.00 Lung Acquisition	0	0	0	0	0	0	0	0	0	0	0
109.00 Pancreas Acquisition	0	0	0	0	0	0	0	0	0	0	0
110.00 Intestinal Acquisition	0	0	0	0	0	0	0	0	0	0	0
111.00 Islet Acquisition	0	0	0	0	0	0	0	0	0	0	0
112.00 Other Organ Acquisition (specify)	0	0	0	0	0	0	0	0	0	0	0
113.00 Interest Expense	0	0	0	0	0	0	0	0	0	0	0
114.00 Utilization Review-SNF	0	0	0	0	0	0	0	0	0	0	0
115.00 Ambulatory Surgical Center (Distinct Part)	0	0	0	0	0	0	0	0	0	0	0
116.00 Hospice	0	0	0	0	0	0	0	0	0	0	0
117.00 Other Special Purpose (specify)	0	0	0	0	0	0	0	0	0	0	0
190.00 Gift, Flower, Coffee Shop, & Canteen	0	0	0	0	0	0	0	0	0	0	0
191.00 Research	0	0	0	0	0	0	0	0	0	0	0
192.00 Physicians' Private Offices	0	0	0	0	0	0	0	0	107,918	0	107,918
193.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0
194.01 MOB	0	0	0	0	0	0	0	0	4,679,588	0	4,679,588
194.02 Marketing	0	0	0	0	0	0	0	0	822,595	0	822,595
194.03 Physicians Meals	0	0	0	0	0	0	0	0	99,563	0	99,563
194.04	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>64,366,387</u>	<u>0</u>	<u>64,366,387</u>











STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.1

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

	EMP BENE (GROSS SALARIES) 4.00	STAT 5.01	STAT 5.02	STAT 5.03	STAT 5.04	STAT 5.05	STAT 5.06	STAT 5.07	STAT 5.08	RECON- CILIATION	ADM & GEN (ACCUM COST) 5.00	MANT & REPAIRS (SQ FT) 6.00
105.00	Kidney Acquisition										0	
106.00	Heart Acquisition										0	
107.00	Liver Acquisition										0	
108.00	Lung Acquisition										0	
109.00	Pancreas Acquisition										0	
110.00	Intestinal Acquisition										0	
111.00	Islet Acquisition										0	
112.00	Other Organ Acquisition (specify)										0	
113.00	Interest Expense										0	
114.00	Utilization Review-SNF										0	
115.00	Ambulatory Surgical Center (Distinct Part)										0	
116.00	Hospice										0	
117.00	Other Special Purpose (specify)										0	
190.00	Gift, Flower, Coffee Shop, & Canteen										0	
191.00	Research										0	
192.00	Physicians' Private Offices										51,549	960
193.00	Nonpaid Workers										0	
194.01	MOB										2,235,272	41,628
194.02	Marketing	82,980									520,805	4,200
194.03	Physicians Meals	31,531									84,183	0
194.04											0	
	TOTAL	28,412,992	0	0	0	0	0	0	0		54,423,388	117,738
	COST TO BE ALLOCATED	361,278	0	0	0	0	0	0	0		9,942,999	1,411,100
	UNIT COST MULTIPLIER - SCH 8	0.012715	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000		0.182697	11.985088

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

	OPER PLANT (SQ FT)	LAUNDRY & LINEN (LB LNDRY)	HOUSE-KEEPING (SQ FT)	DIETARY (MEALS SERVED)	CAFETERIA (PAID FTE'S)	MANT OF PERSONNEL	NURSING ADMIN (NURSE HR)	CENT SERV & SUPPLY (CSTD REQUIS)	PHARMACY (COST REQUIS)	MED REC (ADJUSTED REVENUE)	SOC SERV (TIME SPENT)	OTHER SVC (TIME SPENT)
	7.00	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	17.00	18.00
<b>GENERAL SERVICE COST CENTERS</b>												
1.00	Capital Related Costs-Buildings and Fixtures											
2.00	Capital Related Costs-Movable Equipment											
3.00	Other Capital Related Costs											
3.01												
3.02												
3.03												
3.04												
3.05												
3.06												
3.07												
3.08												
3.09												
4.00	Employee Benefits											
5.01												
5.02												
5.03												
5.04												
5.05												
5.06												
5.07												
5.08												
5.00	Administrative and General											
6.00	Maintenance and Repairs											
7.00	Operation of Plant											
8.00	Laundry and Linen Service											
9.00	0											
9.00	1,180											
10.00	2,275	768	2,275									
11.00	1,525	1,633	1,525									
12.00	Maintenance of Personnel											
13.00	Nursing Administration											
13.00	290											
13.00												
14.00	Central Services and Supply											
14.00	2,734											
15.00	Pharmacy											
15.00	810											
15.00												
16.00	Medical Records & Library											
16.00	924											
16.00												
17.00	Social Service											
18.00	Other General Service (specify)											
19.00	Nonphysician Anesthetists											
20.00	Nursing School											
21.00	Intern & Res. Service-Salary & Fringes (Approved)											
22.00	Intern & Res. Other Program Costs (Approved)											
23.00	Paramedical Ed. Program (specify)											
23.01												
23.02												
<b>INPATIENT ROUTINE COST CENTERS</b>												
30.00	14,320	214,024	14,320	61,541	13,745		245,306			60,185,800		
31.00	3,074	31,840	3,074	4,768	3,158		43,475			7,244,800		
32.00	Coronary Care Unit											
33.00	Burn Intensive Care Unit											
34.00	Surgical Intensive Care Unit											
35.00	7,232	41,142	7,232	3,452	1,924		30,221			10,156,491		
40.00	Subprovider - IPF											
41.00	Subprovider - IRF											
42.00	Subprovider (specify)											
43.00	Nursery											
44.00	Skilled Nursing Facility											
45.00	Nursing Facility											
46.00	Other Long Term Care											
47.00												



STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.2

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

	OPER PLANT (SQ FT)	LAUNDRY & LINEN (LB LNDRY)	HOUSE-KEEPING (SQ FT)	DIETARY (MEALS SERVED)	CAFETERIA (PAID FTE'S)	MANT OF PERSONNEL	NURSING ADMIN (NURSE HR)	CENT SERV & SUPPLY (CSTD REQUIS)	PHARMACY (COST REQUIS)	MED REC (ADJUSTED REVENUE)	SOC SERV (TIME SPENT)	OTHER SVC (TIME SPENT)
	7.00	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	17.00	18.00
105.00 Kidney Acquisition												
106.00 Heart Acquisition												
107.00 Liver Acquisition												
108.00 Lung Acquisition												
109.00 Pancreas Acquisition												
110.00 Intestinal Acquisition												
111.00 Islet Acquisition												
112.00 Other Organ Acquisition (specify)												
113.00 Interest Expense												
114.00 Utilization Review-SNF												
115.00 Ambulatory Surgical Center (Distinct Part)												
116.00 Hospice												
117.00 Other Special Purpose (specify)												
190.00 Gift, Flower, Coffee Shop, & Canteen												
191.00 Research												
192.00 Physicians' Private Offices	960		960									
193.00 Nonpaid Workers												
194.01 MOB	41,628		41,628									
194.02 Marketing	4,200		4,200		100							
194.03 Physicians Meals	0		0									
194.04												
TOTAL	108,377	513,347	107,197	69,761	40,938	0	426,072	4,946,939	2,253,013	379,606,995	0	0
COST TO BE ALLOCATED	2,530,304	382,786	1,455,259	1,306,129	502,302	0	1,706,011	313,110	1,522,309	1,549,724	0	0
UNIT COST MULTIPLIER - SCH 8	23.347241	0.745667	13.575555	18.722909	12.269834	0.000000	4.004045	0.063294	0.675677	0.004082	0.000000	0.000000

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

NONPHY- SICIAN ANE	NURSING SCHOOL	I&R SVC&SAL	I&R OTHER PROG (ASG TIME)	PARAMEDICAL ED. PROG (ASG TIME)	STAT	STAT
19.00	20.00	21.00	22.00	23.00	23.01	23.02

**GENERAL SERVICE COST CENTERS**

- 1.00 Capital Related Costs-Buildings and Fixtures
- 2.00 Capital Related Costs-Movable Equipment
- 3.00 Other Capital Related Costs
- 3.01
- 3.02
- 3.03
- 3.04
- 3.05
- 3.06
- 3.07
- 3.08
- 3.09
- 4.00 Employee Benefits
- 5.01
- 5.02
- 5.03
- 5.04
- 5.05
- 5.06
- 5.07
- 5.08
- 5.00 Administrative and General
- 6.00 Maintenance and Repairs
- 7.00 Operation of Plant
- 8.00 Laundry and Linen Service
- 9.00 Housekeeping
- 10.00 Dietary
- 11.00 Cafeteria
- 12.00 Maintenance of Personnel
- 13.00 Nursing Administration
- 14.00 Central Services and Supply
- 15.00 Pharmacy
- 16.00 Medical Records & Library
- 17.00 Social Service
- 18.00 Other General Service (specify)
- 19.00 Nonphysician Anesthetists
- 20.00 Nursing School
- 21.00 Intern & Res. Service-Salary & Fringes (Approved)
- 22.00 Intern & Res. Other Program Costs (Approved)
- 23.00 Paramedical Ed. Program (specify)
- 23.01
- 23.02

**INPATIENT ROUTINE COST CENTERS**

- 30.00 Adults & Pediatrics (Gen Routine)
- 31.00 Intensive Care Unit
- 32.00 Coronary Care Unit
- 33.00 Burn Intensive Care Unit
- 34.00 Surgical Intensive Care Unit
- 35.00 LDRP Unit
- 40.00 Subprovider - IPF
- 41.00 Subprovider - IRF
- 42.00 Subprovider (specify)
- 43.00 Nursery
- 44.00 Skilled Nursing Facility
- 45.00 Nursing Facility
- 46.00 Other Long Term Care
- 47.00

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

NONPHY- SICIAN ANE	NURSING SCHOOL	I&R SVC&SAL	I&R OTHER PROG (ASG TIME)	PARAMEDICAL ED. PROG (ASG TIME)	STAT	STAT
19.00	20.00	21.00	22.00	23.00	23.01	23.02

**ANCILLARY COST CENTERS**

- 50.00 Operating Room
- 51.00 Recovery Room
- 52.00 Labor Room and Delivery Room
- 53.00 Anesthesiology
- 54.00 Radiology-Diagnostic
- 55.00 Radiology-Therapeutic
- 56.00 Radioisotope
- 57.00 Computed Tomography (CT) Scan
- 58.00 Magnetic Resonance Imaging (MRI)
- 59.00 Cardiac Catheterization
- 60.00 Laboratory
- 61.00 PBP Clinical Laboratory Services-Program Only
- 62.00 Whole Blood & Packed Red Blood Cells
- 63.00 Blood Storing, Processing, & Trans.
- 64.00 Intravenous Therapy
- 65.00 Respiratory Therapy
- 66.00 Physical Therapy
- 67.00 Occupational Therapy
- 68.00 Speech Pathology
- 69.00 Electrocardiology
- 70.00 Electroencephalography
- 71.00 Medical Supplies Charged to Patients
- 72.00 Implantable Devices Charged to Patients
- 73.00 Drugs Charged to Patients
- 74.00 Renal Dialysis
- 75.00 ASC (Non-Distinct Part)
- 76.00 Other Ancillary (specify)
- 77.00
- 78.00
- 79.00
- 80.00
- 81.00
- 82.00
- 83.00
- 84.00
- 85.00
- 86.00
- 87.00
- 87.01
- 88.00 Rural Health Clinic (RHC)
- 89.00 Federally Qualified Health Center (FQHC)
- 90.00 Clinic
- 91.00 Emergency
- 92.00 Observation Beds
- 93.00 Other Outpatient Services (Specify)
- 93.01
- 93.02
- 93.03
- 93.04
- 93.05

**NONREIMBURSABLE COST CENTERS**

- 94.00 Home Program Dialysis
- 95.00 Ambulance Services
- 96.00 Durable Medical Equipment-Rented
- 97.00 Durable Medical Equipment-Sold
- 98.00 Other Reimbursable (specify)
- 99.00 Outpatient Rehabilitation Provider (specify)
- 100.00 Intern-Resident Service (not appvd. tchng. prgm.)
- 101.00 Home Health Agency



## TRIAL BALANCE OF EXPENSES

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	<b>GENERAL SERVICE COST CENTERS</b>			
1.00	Capital Related Costs-Buildings and Fixtures	\$ 2,952,604	\$ (284,086)	\$ 2,668,518
2.00	Capital Related Costs-Movable Equipment	4,554,899	(40,186)	4,514,713
3.00	Other Capital Related Costs		0	0
3.01			0	0
3.02			0	0
3.03			0	0
3.04			0	0
3.05			0	0
3.06			0	0
3.07			0	0
3.08			0	0
3.09			0	0
4.00	Employee Benefits	361,278	0	361,278
5.01			0	0
5.02			0	0
5.03			0	0
5.04			0	0
5.05			0	0
5.06			0	0
5.07			0	0
5.08			0	0
5.00	Administrative and General	10,247,670	(1,114,636)	9,133,034
6.00	Maintenance and Repairs	1,097,546	0	1,097,546
7.00	Operation of Plant	1,633,029	(94,216)	1,538,813
8.00	Laundry and Linen Service	323,655	0	323,655
9.00	Housekeeping	1,123,565	0	1,123,565
10.00	Dietary	883,416	0	883,416
11.00	Cafeteria	276,680	0	276,680
12.00	Maintenance of Personnel		0	0
13.00	Nursing Administration	1,385,354	0	1,385,354
14.00	Central Services and Supply	4,878	0	4,878
15.00	Pharmacy	1,184,884	0	1,184,884
16.00	Medical Records & Library	1,191,887	0	1,191,887
17.00	Social Service		0	0
18.00	Other General Service (specify)		0	0
19.00	Nonphysician Anesthetists		0	0
20.00	Nursing School		0	0
21.00	Intern & Res. Service-Salary & Fringes (Approved)		0	0
22.00	Intern & Res. Other Program Costs (Approved)		0	0
23.00	Paramedical Ed. Program (specify)		0	0
23.01			0	0
23.02			0	0
	<b>INPATIENT ROUTINE COST CENTERS</b>			
30.00	Adults & Pediatrics (Gen Routine)	9,891,490	0	9,891,490
31.00	Intensive Care Unit	2,764,800	0	2,764,800
32.00	Coronary Care Unit		0	0
33.00	Burn Intensive Care Unit		0	0
34.00	Surgical Intensive Care Unit		0	0
35.00	LDRP Unit	1,815,868	0	1,815,868
40.00	Subprovider - IPF		0	0
41.00	Subprovider - IRF		0	0
42.00	Subprovider (specify)		0	0
43.00	Nursery		0	0
44.00	Skilled Nursing Facility		0	0
45.00	Nursing Facility		0	0
46.00	Other Long Term Care		0	0
47.00			0	0

## TRIAL BALANCE OF EXPENSES

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	<b>ANCILLARY COST CENTERS</b>			
50.00	Operating Room	\$ 1,742,980	\$ 0	\$ 1,742,980
51.00	Recovery Room		0	0
52.00	Labor Room and Delivery Room		0	0
53.00	Anesthesiology		0	0
54.00	Radiology-Diagnostic	2,114,666	0	2,114,666
55.00	Radiology-Therapeutic		0	0
56.00	Radioisotope		0	0
57.00	Computed Tomography (CT) Scan		0	0
58.00	Magnetic Resonance Imaging (MRI)		0	0
59.00	Cardiac Catheterization	793,768	0	793,768
60.00	Laboratory	4,755,823	0	4,755,823
61.00	PBP Clinical Laboratory Services-Program Only		0	0
62.00	Whole Blood & Packed Red Blood Cells		0	0
63.00	Blood Storing, Processing, & Trans.		0	0
64.00	Intravenous Therapy		0	0
65.00	Respiratory Therapy	1,620,360	0	1,620,360
66.00	Physical Therapy	484,655	0	484,655
67.00	Occupational Therapy		0	0
68.00	Speech Pathology		0	0
69.00	Electrocardiology	60,134	0	60,134
70.00	Electroencephalography		0	0
71.00	Medical Supplies Charged to Patients	1,520,732	0	1,520,732
72.00	Implantable Devices Charged to Patients	3,426,207	0	3,426,207
73.00	Drugs Charged to Patients	2,253,013	0	2,253,013
74.00	Renal Dialysis	207,200	0	207,200
75.00	ASC (Non-Distinct Part)		0	0
76.00	Other Ancillary (specify)		0	0
77.00			0	0
78.00			0	0
79.00			0	0
80.00			0	0
81.00			0	0
82.00			0	0
83.00			0	0
84.00			0	0
85.00			0	0
86.00			0	0
87.00			0	0
87.01			0	0
88.00	Rural Health Clinic (RHC)		0	0
89.00	Federally Qualified Health Center (FQHC)		0	0
90.00	Clinic		0	0
91.00	Emergency	4,848,463	0	4,848,463
92.00	Observation Beds		0	0
93.00	Other Outpatient Services (Specify)		0	0
93.01			0	0
93.02			0	0
93.03			0	0
93.04			0	0
93.05			0	0
	<b>SUBTOTAL</b>	\$ 65,521,504	\$ (1,533,124)	\$ 63,988,380
	<b>NONREIMBURSABLE COST CENTERS</b>			
94.00	Home Program Dialysis		0	0
95.00	Ambulance Services		0	0
96.00	Durable Medical Equipment-Rented		0	0
97.00	Durable Medical Equipment-Sold		0	0

## TRIAL BALANCE OF EXPENSES

Provider Name:  
DESERT VALLEY HOSPITAL

Fiscal Period Ended:  
DECEMBER 31, 2011

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
98.00	Other Reimbursable (specify)		0	0
99.00	Outpatient Rehabilitation Provider (specify)		0	0
100.00	Intern-Resident Service (not appvd. tchnng. prgm.)		0	0
101.00	Home Health Agency		0	0
105.00	Kidney Acquisition		0	0
106.00	Heart Acquisition		0	0
107.00	Liver Acquisition		0	0
108.00	Lung Acquisition		0	0
109.00	Pancreas Acquisition		0	0
110.00	Intestinal Acquisition		0	0
111.00	Islet Acquisition		0	0
112.00	Other Organ Acquisition (specify)		0	0
113.00	Interest Expense		0	0
114.00	Utilization Review-SNF		0	0
115.00	Ambulatory Surgical Center (Distinct Part)		0	0
116.00	Hospice		0	0
117.00	Other Special Purpose (specify)		0	0
190.00	Gift, Flower, Coffee Shop, & Canteen		0	0
191.00	Research		0	0
192.00	Physicians' Private Offices		0	0
193.00	Nonpaid Workers		0	0
194.01	MOB		0	0
194.02	Marketing	294,225	0	294,225
194.03	Physicians Meals	83,782	0	83,782
194.04			0	0
	<b>SUBTOTAL</b>	<b>\$ 378,007</b>	<b>\$ 0</b>	<b>\$ 378,007</b>
200	<b>TOTAL</b>	<b>\$ 65,899,511</b>	<b>\$ (1,533,124)</b>	<b>\$ 64,366,387</b>

(To Schedule 8)













Provider Name							Fiscal Period			Provider NPI		Adjustments
DESERT VALLEY HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1851396576		21
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report												
Adj. No.	Audit Report	Work Sheet	Part	Title	Line	Col.						
1							<p style="text-align: center;"><u>MEMORANDUM ADJUSTMENT</u></p> <p>The services provided to Medi-Cal inpatients in Noncontract acute hospitals are subject to various reimbursement limitations identified in AB 5 and/or AB 1183. These limitations are addressed on Noncontract Schedule A and are incorporated on Noncontract Schedule 1, Line 9. W&amp;I Code, Sections 14105.19 and 14166.245</p>					

Provider Name			Fiscal Period				Provider NPI		Adjustments	
DESERT VALLEY HOSPITAL			JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1851396576		21	
Report References										
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
		Work Sheet	Part	Title	Line	Col.				
<b>RECLASSIFICATION OF REPORTED COSTS</b>										
2	10A	A			1.00	7	Capital Related Costs-Buildings and Fixtures	\$2,952,604	\$53,626	\$3,006,230 *
	10A	A			2.00	7	Capital Related Costs-Movable Equipment	4,554,899	130,677	4,685,576 *
	10A	A			5.00	7	Administrative and General	10,247,670	(184,303)	10,063,367 *
							To reclassify property taxes to the appropriate cost center.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2302.4, 2302.8 and 2304			

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
DESERT VALLEY HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1851396576		21
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
<b>ADJUSTMENTS TO REPORTED COSTS</b>											
	10A	A			2.00	7	Capital Related Costs-Movable Equipment	*	\$4,685,576		
3							To adjust depreciation expense for assets acquired in 2011 for a change in useful life to agree with the American Hospital Association Guidelines. 42 CFR 413.20, 413.50 and 413.134(b)(7) CMS Pub. 15-1, Sections 104.17, 104.18, 122, 2300 and 2302.4			(\$58,612)	
4							To adjust depreciation expense for assets acquired in 2010 for a change in useful life to agree with the American Hospital Association Guidelines. 42 CFR 413.20, 413.50 and 413.134(b)(7) CMS Pub. 15-1, Sections 104.17, 104.18, 122, 2300 and 2302.4			<u>(112,251)</u> (\$170,863) \$4,514,713	
	10A	A			5.00	7	Administrative and General	*	\$10,063,367		
5							To eliminate sponsorship expense not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3, 2136 and 2136.2			(\$11,000)	
6							To eliminate contributions to an educational entity not related to patient care. 42 CFR 413.9 CMS Pub. 15-1, Sections 2102.3 and 2105.7			(9,813)	
7							To eliminate prior year other expense. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300 and 2302.1			(590)	
8							To eliminate marketing and charitable contribution / donation expense not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3, 2105.7, 2136 and 2136.2			<u>(3,443)</u> (\$24,846) \$10,038,521 *	

\*Balance carried forward from prior/to subsequent adjustments

Provider Name			Fiscal Period				Provider NPI		Adjustments		
DESERT VALLEY HOSPITAL			JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1851396576		21		
Report References											
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
		Work Sheet	Part	Title	Line	Col.					
<b>ADJUSTMENTS TO REPORTED COSTS</b>											
9	10A	A			5.00	7	Administrative and General To eliminate membership fees not related to patient care. 42 CFR 413.5 and 413.9(c) CMS Pub. 15-1, Sections 2102.3, 2138, 2138.1, 2138.2 and 2138.3	*	\$10,038,521	(\$1,000)	\$10,037,521 *
10	10A	A			1.00	7	Capital Related Costs-Buildings and Fixtures To eliminate related organization rent expense not related to patient care. 42 CFR 413.153, 413.17, 413.134(h), 413.20, 413.24 and 413.9(c)(3) CMS Pub. 15-1, Sections 218.1, 1004, 1005, 1011.5, 2102.3, 2300 and 2304	*	\$3,006,230	(\$87,874)	\$2,918,356 *
11	10A	A			7.00	7	Operation of Plant To eliminate building refinishing expense that should have been capitalized. 42 CFR 413.20 and 413.134 CMS Pub. 15-1, Sections 104.8, 108.1, 108.2 and 2300		\$1,633,029	(\$94,216)	\$1,538,813
12	10A	A			1.00	7	Capital Related Costs-Buildings and Fixtures To include building refinishing depreciation expense in conjunction with adjustment number 11. 42 CFR 413.20 and 413.134 CMS Pub. 15-1, Sections 104.8, 108.1, 108.2, 2300 and 2302.4	*	\$2,918,356	\$14,132	\$2,932,488 *
13	10A	A			1.00	7	Capital Related Costs-Buildings and Fixtures	*	\$2,932,488	(\$263,970)	\$2,668,518
	10A	A			5.00	7	Administrative and General To adjust reported home office costs to agree with the Prime Healthcare Services, Inc. Home Office Audit Report for the fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	*	10,037,521	(904,487)	9,133,034

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
DESERT VALLEY HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1851396576		21
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
<b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT</b>										
14	4	D-1	I	XIX	9.00	1	Medi-Cal Days - Adults and Pediatrics	2,595.00	24.00	2,619.00 *
	4A	D-1	II	XIX	43.00	4	Medi-Cal Days - Intensive Care Unit	220.00	8.00	228.00 *
	4A	D-1	II	XIX	47.00	4	Medi-Cal Days - LDRP	1,286.00	(3.00)	1,283.00 *
15	6	D-3		XIX	50.00	2	Medi-Cal Ancillary Charges - Operating Room	\$2,787,400	\$12,642	\$2,800,042
	6	D-3		XIX	54.00	2	Medi-Cal Ancillary Charges - Radiology-Diagnostic	2,576,361	23,627	2,599,988
	6	D-3		XIX	59.00	2	Medi-Cal Ancillary Charges - Cardiac Catheterization	948,638	9,129	957,767
	6	D-3		XIX	60.00	2	Medi-Cal Ancillary Charges - Laboratory	2,729,204	43,023	2,772,227
	6	D-3		XIX	65.00	2	Medi-Cal Ancillary Charges - Respiratory Therapy	1,550,599	39,766	1,590,365
	6	D-3		XIX	66.00	2	Medi-Cal Ancillary Charges - Physical Therapy	157,916	2,487	160,403
	6	D-3		XIX	69.00	2	Medi-Cal Ancillary Charges - Electrocardiology	312,446	3,040	315,486
	6	D-3		XIX	71.00	2	Medi-Cal Ancillary Charges - Medical Supplies Charged to Patients	5,567,855	44,462	5,612,317
	6	D-3		XIX	72.00	2	Medi-Cal Ancillary Charges - Implantable Devices Charged to Patients	1,296,481	39,934	1,336,415
	6	D-3		XIX	73.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	6,186,226	58,832	6,245,058
	6	D-3		XIX	91.00	2	Medi-Cal Ancillary Charges - Emergency	1,966,580	20,151	1,986,731
	6	D-3		XIX	200.00	2	Medi-Cal Ancillary Charges - Total	26,177,883	297,093	26,474,976
16	2	E-3	VII	XIX	8.00	1	Medi-Cal Routine Service Charges	\$11,005,932	\$1,584,910	\$12,590,842
	2	E-3	VII	XIX	9.00	1	Medi-Cal Ancillary Service Charges	26,177,883	297,093	26,474,976
17	3	E-3	VII	XIX	33.00	1	Medi-Cal Coinsurance	\$123,172	(\$1,139)	\$122,033
18	1	E-3	VII	XIX	41.00	1	Medi-Cal Interim Payment	\$8,480,078	\$173,590	\$8,653,668
<p>To adjust Medi-Cal Settlement Data to agree with the following Fiscal Intermediary Payment Data:                      Service Period: January 1, 2011 through December 31, 2011                      Payment Period: January 1, 2011 through July 1, 2013                      Report Date: July 3, 2013                      42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64 and 433.139                      CMS Pub. 15-1, Sections 2300, 2304, 2404 and 2408                      CCR, Title 22, Sections 51173, 51511, 51541 and 51542</p>										

Provider Name							Fiscal Period			Provider NPI		Adjustments
DESERT VALLEY HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1851396576		21
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
<b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT</b>												
19	4	D-1	I	XIX	9.00	1	Medi-Cal Days - Adults and Pediatrics	*	2,619.00	(12.75)	2,606.25	
	4A	D-1	II	XIX	43.00	4	Medi-Cal Days - Intensive Care Unit	*	228.00	(4.50)	223.50	
	4A	D-1	II	XIX	47.00	4	Medi-Cal Days - LDRP	*	1,283.00	(1.00)	1,282.00	
							To eliminate Medi-Cal days for billed Medi-Cal days by 25% and 50%, for claims submitted during the 7th through the 9th month (RAD Code 475) and 10th through the 12th month (RAD Code 476) after the month of service identified on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through July 1, 2013 Report Date: July 3, 2013 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64 and 433.139 CMS Pub. 15-1, Sections 2304, 2404 and 2408 W&I Code, Section 14115 CCR, Title 22, Sections 51541 and 51458.1					

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
DESERT VALLEY HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1851396576		21
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
<b><u>ADJUSTMENTS TO OTHER MATTERS</u></b>												
	1	Not Reported					Medi-Cal Overpayments			\$0		
20							To recover outstanding Medi-Cal credit balances. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1				\$23,775	
21							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1				<u>11,812</u> \$35,587	\$35,587