

**REPORT
ON THE
RATE SETTING AUDIT**

**AVALON CARE CENTER - CHOWCHILLA
CHOWCHILLA, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1154315182**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Michael Harrold
Audit Supervisor: Linda King
Auditor: Dianna Morgan**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 16, 2013

David Slawson
Director of Finance
Avalon Health Care Management, Inc.
206 North 2100 West
Salt Lake City, Utah 84116

AVALON CARE CENTER - CHOWCHILLA
NATIONAL PROVIDER IDENTIFIER (NPI) 1154315182
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from patient share of cost. 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 data presented in the accompanying Summary of Audited Facility Cost per Patient Day represents a proper determination of the allowable costs, patient days, and use of share of cost for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$87, which resulted from Medi-Cal overpayments
3. Audited Allocation of Home Office Cost

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

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Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Fee-For-Service Rate Development Division.

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.

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.

David Slawson
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If you have questions regarding this report, you may call the Audits Section—Fresno at (559) 446-2458.

Original Signed by

Michael A. Harrold, Chief
Audits Section—Fresno
Financial Audits Branch

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility No.:
206200691

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SKILLED NURSING CARE				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 1,659,367	\$ 83.96
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 467,631	\$ 23.66
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 370,964	\$ 18.77
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 261,137	\$ 13.21
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 19,503	\$ 0.99
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 13,184	\$ 0.67
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 11,490	\$ 0.58
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 19,522	\$ 0.99
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 229,227	\$ 11.60
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 436,655	\$ 22.09
11	Cost of Routine Service/Audited Total Costs	\$ 3,769,472.00	\$ 3,488,680	\$ 176.53
12	Total Patient Days (Adj 19)	19,751	19,763	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 190.85	\$ 176.53	
14	Overpayments (Adj 22)	\$ 0	\$ (87)	
15	Medi-Cal Days (Adj 20)	14,624	13,618	
16	Medi-Cal Managed Care Days (Adj 21)		925	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj)		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj)		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj)		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$	\$ 0	
SUBACUTE CARE				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility No.:
206200691

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SUBACUTE CARE - PEDIATRIC				
43	Cost of Routine Service (Subacute Care - Pediatric, Sch. 1, Ln 3)	\$ 0	\$ 0	
44	Cost of Ancillary Service (Subacute Care - Pediatric, Sch. 1, Ln. 1 + Ln. 2)	\$ 0	\$ 0	
45	Total Cost of Subacute Care - Pediatric Service (Ln. 43 + Ln. 44)	\$ 0	\$ 0	
46	Total Patient Days (Subacute Care - Pediatric, Sch. 1, Ln. 5)	0	0	
47	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
48	Amount Due Provider (State) (Subacute Care - Pediatric, Sch. 1, Ln. 9)	\$ 0	\$ 0	
TRANSITIONAL INPATIENT CARE				
49	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
50	Total Patient Days (Adj)		0	
51	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
52	Overpayments (Adj)	\$	\$ 0	
HOSPICE INPATIENT CARE				
53	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
54	Total Patient Days (Adj)		0	
55	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
56	Overpayments (Adj)	\$	\$ 0	
OTHER ROUTINE SERVICES				
57	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
58	Total Patient Days (Adj)		0	
59	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
60	Overpayments (Adj)	\$	\$ 0	

**ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR**

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility No.:
206200691

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
	GENERAL SERVICES				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 30,632	\$ 30,632		
160	Activities	53,116		\$ 53,116	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	ANCILLARY SERVICES				
075	Patient Supplies	14,572	0	0	14,572
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	ROUTINE SERVICES				
105	Skilled Nursing Care	1,575,619	30,632	53,116	1,659,367
110	Intermediate Care	0	0	0	0
115	Mentally Disordered Care	0	0	0	0
120	Developmentally Disabled Care	0	0	0	0
125	Subacute Care	0	0	0	0
126	Subacute Care - Pediatric	0	0	0	0
128	Transitional Inpatient Care	0	0	0	0
130	Hospice Inpatient Care	0	0	0	0
135	Other Routine Services	0	0	0	0
	NONREIMBURSABLE				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	TOTAL	\$ 1,673,939	\$ 30,632	\$ 53,116	\$ 1,673,939

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 45,526	\$ 45,526										
010	Housekeeping	72,234	570	\$ 72,804									
060	Laundry and Linen	46,592	1,569	2,541	\$ 50,703								
065	Dietary	230,993	4,942	8,004	943	\$ 244,883							
155	Social Services	N/A	492	797	0	0	\$ 1,289						
160	Activities	N/A	3,407	5,517	0	0	0	\$ 8,924					
165	Administration	N/A	2,136	3,459	0	0	0	0		\$ 5,595	\$ 5,595		
166	Medical Records	29,471	339	549	0	0	0	0		30,359		\$ 30,359	
170	Inservice Education - Nursing	55,380	0	0	0	0	0	0	\$ 55,380				
ANCILLARY SERVICES													
075	Patient Supplies		865	1,400	0	0	0	0	0	2,265	103	561	\$ 2,930
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	36	194	230
080	Physical Therapy		492	797	1,279	0	0	0	0	2,568	188	1,022	3,778
081	Respiratory Therapy		0	0	0	0	0	0	0	0	11	59	69
082	Occupational Therapy		246	398	0	0	0	0	0	644	155	842	1,642
083	Speech Pathology		246	398	0	0	0	0	0	644	74	403	1,121
085	Pharmacy		0	0	0	0	0	0	0	0	142	769	911
090	Laboratory		0	0	0	0	0	0	0	0	19	101	119
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services		0	0	0	0	0	0	0	0	11	60	71
101	Subacute Care Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care		29,934	48,478	47,629	244,883	1,289	8,924	55,380	436,518	4,841	26,272	467,631*
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0*
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0*
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0*
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0*
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0*
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0*
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0*
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0*
NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		287	465	851	0	0	0	0	1,603	14	77	1,694
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 480,196	\$ 45,526	\$ 72,804	\$ 50,703	\$ 244,883	\$ 1,289	\$ 8,924	\$ 55,380	\$ 444,242	\$ 5,595	\$ 30,359	\$ 480,196

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 155,842	\$ 155,842										
010	Housekeeping	8,683	1,952	\$ 10,635									
060	Laundry and Linen	8,572	5,372	371	\$ 14,315								
065	Dietary	125,880	16,919	1,169	266	\$ 144,234							
155	Social Services	2,866	1,684	116	0	0	\$ 4,667						
160	Activities	13,031	11,662	806	0	0	0	\$ 25,499					
165	Administration	N/A	7,311	505	0	0	0	0		\$ 7,816	\$ 7,816		
166	Medical Records	2,280	1,161	80	0	0	0	0		3,521		\$ 3,521	
170	Inservice Education - Nursing	6,491	0	0	0	0	0	0	\$ 6,491				
ANCILLARY SERVICES													
075	Patient Supplies	32,453	2,960	205	0	0	0	0	0	35,618	144	65	\$ 35,827
077	Specialized Support Surfaces	20,091	0	0	0	0	0	0	0	20,091	50	22	20,163
080	Physical Therapy	97,684	1,684	116	361	0	0	0	0	99,846	263	119	100,227
081	Respiratory Therapy	6,071	0	0	0	0	0	0	0	6,071	15	7	6,093
082	Occupational Therapy	84,151	842	58	0	0	0	0	0	85,051	217	98	85,366
083	Speech Pathology	38,567	842	58	0	0	0	0	0	39,467	104	47	39,618
085	Pharmacy	79,750	0	0	0	0	0	0	0	79,750	198	89	80,037
090	Laboratory	10,428	0	0	0	0	0	0	0	10,428	26	12	10,466
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	6,249	0	0	0	0	0	0	0	6,249	16	7	6,272
101	Subacute Care Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care	57,263	102,470	7,082	13,447	144,234	4,667	25,499	6,491	361,153	6,764	3,047	370,964 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	3,023	982	68	240	0	0	0	0	4,314	20	9	4,342
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 759,375	\$ 155,842	\$ 10,635	\$ 14,315	\$ 144,234	\$ 4,667	\$ 25,499	\$ 6,491	\$ 748,037	\$ 7,816	\$ 3,521	\$ 759,375

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
 AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
 JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
 1154315182

OSHPD Facility Number:
 206200691

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 276,742	93%							
	Property Tax (line 40)	20,668	7%	\$ 297,410						
005	Plant Operations and Maintenance			4,650	\$ 4,650					
010	Housekeeping			3,667	58	\$ 3,726				
060	Laundry and Linen			10,091	160	130	\$ 10,381			
065	Dietary			31,783	505	410	193	\$ 32,891		
155	Social Services			3,164	50	41	0	0	\$ 3,255	
160	Activities			21,908	348	282	0	0	0	\$ 22,538
165	Administration			13,734	218	177	0	0	0	0
166	Medical Records			2,181	35	28	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			5,561	88	72	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			3,164	50	41	262	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			1,582	25	20	0	0	0	0
083	Speech Pathology			1,582	25	20	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
ROUTINE SERVICES										
105	Skilled Nursing Care			192,497	3,058	2,481	9,752	32,891	3,255	22,538
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			1,846	29	24	174	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 297,410	100%	\$ 297,410	\$ 4,650	\$ 3,726	\$ 10,381	\$ 32,891	\$ 3,255	\$ 22,538

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 93% Of Total	Property Tax 7% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 276,742	93%							
	Property Tax (line 40)	20,668	7%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 14,130	\$ 14,130				
166	Medical Records				2,244		\$ 2,244			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	5,721	261	41	\$ 6,024	\$ 5,605	\$ 419
077	Specialized Support Surfaces			0	0	90	14	105	97	7
080	Physical Therapy			0	3,517	476	76	4,068	3,785	283
081	Respiratory Therapy			0	0	27	4	32	29	2
082	Occupational Therapy			0	1,627	392	62	2,082	1,937	145
083	Speech Pathology			0	1,627	187	30	1,845	1,716	128
085	Pharmacy			0	0	358	57	415	386	29
090	Laboratory			0	0	47	7	54	50	4
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	28	4	33	30	2
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105	Skilled Nursing Care			0	266,471	12,227	1,942	280,640	261,137	19,503 *
110	Intermediate Care			0	0	0	0	0	0	0 *
115	Mentally Disordered Care			0	0	0	0	0	0	0 *
120	Developmentally Disabled Care			0	0	0	0	0	0	0 *
125	Subacute Care			0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric			0	0	0	0	0	0	0 *
128	Transitional Inpatient Care			0	0	0	0	0	0	0 *
130	Hospice Inpatient Care			0	0	0	0	0	0	0 *
135	Other Routine Services			0	0	0	0	0	0	0 *
	NONREIMBURSABLE									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	2,073	36	6	2,114	1,968	147
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 297,410	100%	\$ -	\$ 281,037	\$ 14,130	\$ 2,244	\$ 297,410	\$ 276,742	\$ 20,668

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 61% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 2% of Total	Quality Assur. Fees 32% of Total	Caregiver Training 3% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 6,032												
055	Interest - Other	471												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	498,091												
	Total Costs Allocable as Administration	504,594	61%											
167	CDPH Licensing Fees	15,235	2%											
168	Professional Liability Insurance	13,278	2%											
169	Quality Assurance Fees	264,892	32%											
174	Caregiver Training	22,559	3%											
	Total	820,558	100%						\$ 820,558					
ANCILLARY SERVICES														
075	Patient Supplies			\$ 14,572	\$ 2,265	\$ 35,618	\$ 5,721	\$ 58,176	15,168	\$ 9,327	\$ 282	\$ 245	\$ 4,896	\$ 417
077	Specialized Support Surfaces			0	0	20,091	0	20,091	5,238	3,221	97	85	1,691	144
080	Physical Therapy			0	2,568	99,846	3,517	105,930	27,618	16,984	513	447	8,916	759
081	Respiratory Therapy			0	0	6,071	0	6,071	1,583	973	29	26	511	44
082	Occupational Therapy			0	644	85,051	1,627	87,323	22,767	14,000	423	368	7,350	626
083	Speech Pathology			0	644	39,467	1,627	41,739	10,882	6,692	202	176	3,513	299
085	Pharmacy			0	0	79,750	0	79,750	20,793	12,786	386	336	6,712	572
090	Laboratory			0	0	10,428	0	10,428	2,719	1,672	50	44	878	75
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	6,249	0	6,249	1,629	1,002	30	26	526	45
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES														
105	Skilled Nursing Care			1,659,367	436,518	361,153	266,471	2,723,508	710,078	436,655	13,184	11,490	229,227	19,522
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,603	4,314	2,073	7,989	2,083	1,281	39	34	672	57
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 820,558		\$ 1,673,939	\$ 444,242	\$ 748,037	\$ 281,037	\$ 3,147,255	\$ 820,558					
	Total Administrative Costs							\$ 820,558		\$ 504,594	\$ 15,235	\$ 13,278	\$ 264,892	\$ 22,559
	Unit Cost Multiplier							0.26072182						
	Accumulated Administration Costs (Sch 2 thru 5)				\$ 35,954	\$ 11,338	\$ 16,373	\$ 63,665						
	TOTAL FACILITY COSTS							\$ 4,031,478						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj)	Plant Ops (SQ FT) 5 (Adj)	Hskpng (SQ FT) 10 (Adj)	Laundry (LBS) 60 (Adj 18)	Dietary (MEALS) 65 (Adj)	Soc Srvs (DIRECT EXP) 155 (Adj)	Activities (DIRECT EXP) 160 (Adj)	Inserv. Ed (DIRECT EXP) 170 (Adj)	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	194									
010	Housekeeping	153	153								
060	Laundry and Linen	421	421	421							
065	Dietary	1,326	1,326	1,326	3,120						
155	Social Services	132	132	132							
160	Activities	914	914	914							
165	Administration	573	573	573							
166	Medical Records	91	91	91							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	232	232	232						58,176	58,176
077	Specialized Support Surfaces									20,091	20,091
080	Physical Therapy	132	132	132	4,230					105,930	105,930
081	Respiratory Therapy									6,071	6,071
082	Occupational Therapy	66	66	66						87,323	87,323
083	Speech Pathology	66	66	66						41,739	41,739
085	Pharmacy									79,750	79,750
090	Laboratory									10,428	10,428
095	Home Health Services									0	0
100	Other Ancillary Services									6,249	6,249
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	8,031	8,031	8,031	157,530	59,253	1,632,882	1,632,882	1,632,882	2,723,508	2,723,508
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	77	77	77	2,814					7,989	7,989
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	12,408	12,214	12,061	167,694	59,253	1,632,882	1,632,882	1,632,882	3,147,255	3,147,255
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 30,632	\$ 53,116			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.018759469	0.032528989			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 45,526	\$ 72,804	\$ 50,703	\$ 244,883	\$ 1,289	\$ 8,924	\$ 55,380	\$ 5,595	\$ 30,359
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		3.72736204	6.03633914	0.30235142	4.13283723	0.00078929	0.00546520	0.03391549	0.00177761	0.00964634
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 155,842	\$ 10,635	\$ 14,315	\$ 144,234	\$ 4,667	\$ 25,499	\$ 6,491	\$ 7,816	\$ 3,521
	UNIT COST MULTIPLIER (INDIRECT OTHER)		12.75929262	0.88178192	0.08536318	2.43421258	0.00285791	0.01561591	0.00397518	0.00248354	0.00111886
	TOTAL CAPITAL COSTS - SCH. 5	\$ 297,410	\$ 4,650	\$ 3,726	\$ 10,381	\$ 32,891	\$ 3,255	\$ 22,538	\$ -	\$ 14,130	\$ 2,244
	UNIT COST MULTIPLIER (CAPITAL COSTS)	23.96921341	0.38071290	0.30889136	0.06190658	0.55508988	0.00199339	0.01380269	0.00000000	0.00448947	0.00071299

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 35,145	\$ (38)	\$ 35,107	(Sch 3)
005	.20-.39	Fringe Benefits	6200	12,929	(2,510)	10,419	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	158,256	(2,414)	155,842	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 206,330	\$ (4,962)	\$ 201,368	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 0	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300	0	0	0	(Sch 3)
010	.79	Agency Staff	6300	72,234	0	72,234	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	8,683	0	8,683	(Sch 4)
010		Housekeeping - Total	6300	\$ 80,917	\$ 0	\$ 80,917	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 119	\$ 0	\$ 119	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	1,930	0	1,930	(Sch 5)
025		Depreciation: Equipment	7140	19,133	0	19,133	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	253,177	2,214	255,391	(Sch 5)
040		Property Taxes	7300	20,668	0	20,668	(Sch 5)
045		Property Insurance	7400	6,032	0	6,032	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	169	0	169	(Sch 6)
055		Interest - Other	7600	\$ 10,446	\$ (9,975)	\$ 471	(Sch 6)
057		Subtotal 005 - 055		\$ 598,921	\$ (12,723)	\$ 586,198	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 0	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400	0	0	0	(Sch 3)
060	.79	Agency Staff	6400	46,592	0	46,592	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	8,572	0	8,572	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 55,164	\$ 0	\$ 55,164	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 183,466	\$ (2,647)	\$ 180,819	(Sch 3)
065	.20-.39	Fringe Benefits	6500	71,592	(21,418)	50,174	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	126,747	(867)	125,880	(Sch 4)
065		Dietary - Total	6500	\$ 381,805	\$ (24,932)	\$ 356,873	
070		Provision for Bad Debts	7700	\$ 0	0	0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 10,412	\$ 0	\$ 10,412	(Sch 2)
075	.20-.39	Fringe Benefits	8100	4,505	(345)	4,160	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	32,453	0	32,453	(Sch 4)
075		Patient Supplies - Total	8100	\$ 47,370	\$ (345)	\$ 47,025	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	20,091	0	20,091	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 20,091	\$ 0	\$ 20,091	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$ 0	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	97,684	0	97,684	(Sch 4)
080		Physical Therapy - Total	8200	\$ 97,684	\$ 0	\$ 97,684	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	6,071	0	6,071	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 6,071	\$ 0	\$ 6,071	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 0	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	84,151	0	84,151	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 84,151	\$ 0	\$ 84,151	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	38,567	0	38,567	(Sch 4)
083		Speech Pathology - Total	8280	\$ 38,567	\$ 0	\$ 38,567	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300	0	0	0	(Sch 2)
085	.79	Agency Staff	8300	0	0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	79,750	0	79,750	(Sch 4)
085		Pharmacy - Total	8300	\$ 79,750	\$ 0	\$ 79,750	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	10,428	0	10,428	(Sch 4)
090		Laboratory - Total	8400	\$ 10,428	\$ 0	\$ 10,428	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	6,249	0	6,249	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 6,249	\$ 0	\$ 6,249	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 390,361	\$ (345)	\$ 390,016	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,218,782	\$ (7,639)	\$ 1,211,143	(Sch 2)
105	.20-.39	Fringe Benefits	6110	493,408	(128,932)	364,476	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	59,724	(2,461)	57,263	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,771,914	\$ (139,032)	\$ 1,632,882	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	0	0	
110		Intermediate Care - Total	6120	\$ 0	\$ 0	\$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	\$ 0	\$ 0	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	0	0	
115		Mentally Disordered Care - Total	6130	\$ 0	\$ 0	\$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	\$ 0	\$ 0	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	0	0	
120		Developmentally Disabled Care - Total	6140	\$ 0	\$ 0	\$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	\$ 0	\$ 0	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	0	0	(Sch 4)
125		Subacute Care - Total	6150	\$ 0	\$ 0	\$ 0	
126		Subacute Care - Pediatric					
126	.01-.19	Salaries and Wages	6160	\$ 0	\$ 0	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$ 0	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170	0	0	0
128	.49	Agency Staff	6170	0	0	0
128	.40-.99	Other - Nonlabor	6170	0	0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$ 0	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180	0	0	0
130	.49	Agency Staff	6180	0	0	0
130	.40-.99	Other - Nonlabor	6180	0	0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$ 0	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190	0	0	0
135	.49	Agency Staff	6190	0	0	0
135	.40-.99	Other - Nonlabor	6190	0	0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		Other Nonreimbursable				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
139	.49	Agency Staff	9100	0	0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900	0	0	0 (Sch 2)
140	.49	Agency Staff	8900	0	0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	3,023	0	3,023 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 3,023	\$ 0	\$ 3,023
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
145	.49	Agency Staff	9100	0	0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		Subtotal 105 - 145		\$ 1,774,937	\$ (139,032)	\$ 1,635,905
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 22,304	\$ 0	\$ 22,304 (Sch 2)
155	.20-.39	Fringe Benefits	6600	9,074	(746)	8,328 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	2,866	0	2,866 (Sch 4)
155		Social Services - Total	6600	\$ 34,244	\$ (746)	\$ 33,498

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
160		Activities					
160	.01-.19	Salaries and Wages	6700	\$ 40,748	\$ 0	\$ 40,748	(Sch 2)
160	.20-.39	Fringe Benefits	6700	15,015	(2,647)	12,368	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	13,031	0	13,031	(Sch 4)
160		Activities - Total	6700	\$ 68,794	\$ (2,647)	\$ 66,147	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 169,527	\$ 4,648	\$ 174,175	(Sch 6)
165	.20-.39	Fringe Benefits	6900	65,168	(18,774)	46,394	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	311,368	(33,846)	277,522	(Sch 6)
165		Administration - Total	6900	\$ 546,063	\$ (47,972)	\$ 498,091	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 21,929	\$ 0	\$ 21,929	(Sch 3)
166	.20-.39	Fringe Benefits	6900	8,267	(725)	7,542	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	2,280	0	2,280	(Sch 4)
166		Medical Records - Total	6900	\$ 32,476	\$ (725)	\$ 31,751	
167		CDPH Licensing Fees	6900	\$ 15,235	\$ 0	\$ 15,235	(Sch 6)
168		Professional Liability Insurance	6900	\$ 75,118	\$ (61,840)	\$ 13,278	(Sch 6)
169		Quality Assurance Fees	6900	\$ 264,892	\$ 0	\$ 264,892	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 41,904	\$ 0	\$ 41,904	(Sch 3)
170	.20-.39	Fringe Benefits	6800	13,476	0	13,476	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	6,491	0	6,491	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 61,871	\$ 0	\$ 61,871	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	26,554	(3,995)	22,559	(Sch 6)
174		Caregiver Training - Total	6900	\$ 26,554	\$ (3,995)	\$ 22,559	
		Subtotal 155 - 174		\$ 1,125,247	\$ (117,925)	\$ 1,007,322	
200		Total		\$ 4,326,435	\$ (294,957)	\$ 4,031,478	

210	0.24	Total Facility Group Health Insurance *	6900		\$ 0
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
AVALON CARE CENTER - CHOWCHILLA

Provider NPI:
1154315182

OSHPD Facility Number:
206200691

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	Sub No.		AUDIT ADJ 15	AUDIT ADJ 16	AUDIT ADJ 17	AUDIT ADJ				
174	3	Caregiver Training - Agency Staff								
174	4	Caregiver Training - Other - Nonlabor								
200		Total	<u>(195,107)</u>	<u>(121,615)</u>	<u>140,625</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Provider Name							Fiscal Period	Provider NPI	Adjustments		
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1154315182	22		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>											
1	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$1,218,782	(\$4,648)	\$1,214,134 *	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefit:	493,408	(1,882)	491,526 *	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wage:	169,527	4,648	174,175	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefit:	65,168	1,882	67,050 *	
							To reclassify the modified duty salary and benefits expense to the proper cost center and due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8 CCR, Title 22, Section 5200				
2	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	\$158,256	(\$2,414)	\$155,842	
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	126,747	(867)	125,880	
	10.5	035	4	8A-1	035	4	Leases and Rentals	253,177	2,214	255,391	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	311,368	1,067	312,435 *	
							To reclassify equipment rental expenses for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000(e) and 52501 SPA Supplement 4 to Attachment 4.19D, V OSHPD - LTC Manual, Chapter 3000, Section 3220.3				

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI	Adjustments	
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1154315182	22	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENTS TO REPORTED COSTS</u>										
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$59,724		
3							To eliminate minor equipment nursing expense due to insufficient documentation and for prior period expenses. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(\$553)	
4							To eliminate pharmacy consulting services due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		<u>(1,908)</u> (\$2,461)	\$57,263
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* \$312,435		
5							To eliminate accounting fees in connection with a fair hearing or other litigation against California Department of Health Care Services and due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W & I Code 14126.023(a)(3)(B) and 14126.023(a)(3)(C)		(\$1,318)	
6							To eliminate bank charge fees due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(3,449)	
7							To eliminate telephone expense for patient phone lines, not included in the routine rate. CMS Pub. 15-1, Section 2304 CCR, Title 22, 51511(c)		<u>(1,483)</u> (\$6,250)	\$306,185 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1154315182		22
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENTS TO REPORTED COSTS</u>										
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$306,185	
8							To eliminate purchased services expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(\$1,223)
9							To eliminate marketing expense that is not allowable and not included in the daily rate. 42 CFR 413.5, 413.9 and 413.24 CMS Pub. 15-1, Sections 2136.2, 2304 and 2328			(2,855)
10							To eliminate purchased services expenses due to prior period expenses. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(712)
11							To eliminate legal fees due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)			<u>(878)</u> (\$5,668) \$300,517 *
12	10.5	055	4	8A-1	055	4	Interest - Other To adjust interest expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$10,446	(\$9,975) \$471
13	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To eliminate liability insurance expense from the facility cost report for inclusion with audited home office costs in conjunction with adjustment 14. 42 CFR 413.17, 413.20 and 413.24 CMS Pub. 15-1, Sections 2150.2, 2162.5, 2162.7, 2300 and 2304		\$75,118	(\$75,118) \$0 *
*Balance carried forward from prior/to subsequent adjustments										Page 3

Provider Name							Fiscal Period	Provider NPI		Adjustments	
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1154315182		22	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO REPORTED COSTS</u>											
14	10.5	005	1	8A-1	005	1	Plant Operations and Maintenance - Salaries and Wages	\$35,145	(\$38)	\$35,107	
	10.5	065	1	8A-1	065	1	Dietary - Salaries and Wages	183,466	(2,647)	180,819	
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	* 1,214,134	(2,991)	1,211,143	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 300,517	(22,995)	277,522	
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance	* 0	13,278	13,278	
	10.5	174	4	8A-1	174	4	Caregiver Training - Other - Nonlabor	26,554	(3,995)	22,559	
							To adjust home office costs to agree with the Avalon Health Care Management, Inc. Home Office Audit Report for fiscal period ended December 31, 2011. 42 CFR 413.17/ CMS Pub. 15-1, Sections 2150.2 and 2304				
15	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$12,929	(\$3,836)	\$9,093 *	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	71,592	(19,058)	52,534 *	
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	4,505	(1,234)	3,271 *	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 491,526	(142,856)	348,670 *	
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	9,074	(2,672)	6,402 *	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	15,015	(4,722)	10,293 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 67,050	(18,132)	48,918 *	
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	8,267	(2,597)	5,670 *	
							To eliminate worker's compensation insurance expense from the facility cost report for inclusion with audited home office costs in conjunction with adjustment 17. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
16	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	* \$9,093	(\$1,439)	\$7,654 *	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	* 52,534	(16,096)	36,438 *	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 348,670	(87,159)	261,511 *	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	* 10,293	(1,328)	8,965 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 48,918	(15,593)	33,325 *	
							To eliminate health insurance expense from the facility cost report for inclusion with audited home office costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2162.5, 2162.7, 2300 and 2304				

Provider Name							Fiscal Period	Provider NPI		Adjustments	
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1154315182		22	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENT TO REPORTED COSTS</u>											
17	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	*	\$7,654	\$2,765	\$10,419
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	*	36,438	13,736	50,174
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	*	3,271	889	4,160
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	261,511	102,965	364,476
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	*	6,402	1,926	8,328
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	*	8,965	3,403	12,368
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	33,325	13,069	46,394
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	*	5,670	1,872	7,542
							To include audited worker's compensation insurance paid claims and premium payments expense from the home office allocation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period		Provider NPI		Adjustments
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1154315182		22
Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENT TO REPORTED STATISTICS</u>											
18	10.7	080	4	7	080	N/A	Physical Therapy (Laundry Pounds)	0	4,230	4,230	
	10.7	105	4	7	105	N/A	Skilled Nursing Care	164,574	(7,044)	157,530	
	10.7	140	4	7	140	N/A	Beauty and Barber	195	2,619	2,814	
	10.7	175	4	7	175	N/A	Total Statistics - Laundry Pounds	167,889	(195)	167,694	
To adjust laundry pounds statistics to agree with the provider's records in order to properly allocate indirect costs. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304, 2306 and 2328											

Provider Name							Fiscal Period	Provider NPI		Adjustments
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1154315182		22
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
ADJUSTMENTS TO REPORTED PATIENT DAYS										
19	4.1	5	6	1	12	N/A	Total Patient Days To adjust total patient days to agree with the provider's patient census reports. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300 and 2304	19,751	12	19,763
20	4.1	5	2	1	15	N/A	Medi-Cal Days To adjust reported Medi-Cal Nursing facility days based on the following Fiscal Intermediary Payment Date: Report Date: August 15, 2012 Payment Period: January 1, 2011 through July 31, 2012 Service Period: January 1, 2011 through December 31, 2011 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.54 and 433.139 CMS Pub. 15-1, Sections 2304, 2404 and 2408 CCR, Title 22, Section 51541	14,624	(1,006)	13,618
21	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	925	925

Provider Name							Fiscal Period			Provider NPI		Adjustments
AVALON CARE CENTER - CHOWCHILLA							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1154315182		22
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report				Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO OTHER MATTERS</u>												
22	N/A			1	14	N/A	Medi-Cal Overpayments 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			\$0	\$87	\$87