

**REPORT  
ON THE  
RATE SETTING AUDIT**

**CALIFORNIA NURSING AND REHABILITATION  
CENTER  
PALM SPRINGS, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1750398921**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Maria Delgado  
Audit Supervisor: Cyrus Lam  
Auditor: Ken Lo**



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



EDMUND G. BROWN JR.  
GOVERNOR

May 28, 2013

Ernest Schaffer, Administrator  
California Nursing and Rehabilitation Center  
2299 North Indian Canyon Drive  
Palm Springs, CA 92262

CALIFORNIA NURSING AND REHABILITATION CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI): 1750398921  
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. 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, and patient days 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 \$7,971, which resulted from Medi-Cal overpayments

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.

Ernest Schaffer  
Page 2

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 Rates 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.

If you have questions regarding this report, you may call the Audits Section—Gardena at (310) 516-4757.

**Original Signed By:**

Maria Delgado, Chief  
Audits Section—Gardena  
Financial Audits Branch

Ernest Schaffer  
Page 3

Certified  
Enclosures

cc: Cathy Storr, Consultant  
Axiom Healthcare Group  
572 West 37<sup>th</sup> Street  
San Pedro, CA 90731

## SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

## Provider Name:

CALIFORNIA NURSING AND REHABILITATION CENTER

## Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

## Provider NPI:

1750398921

## OSHPD Facility No.:

206331352

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 2,377,651	\$ 110.40
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 920,681	\$ 42.75
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 796,323	\$ 36.97
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 694,963	\$ 32.27
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 56,370	\$ 2.62
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 14,682	\$ 0.68
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 58,975	\$ 2.74
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 224,180	\$ 10.41
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 775,348	\$ 36.00
11	Cost of Routine Service/Audited Total Costs	\$ 5,948,505.00	\$ 5,919,173	\$ 274.84
12	Total Patient Days (Adj 12)	21,559	21,537	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 275.92	\$ 274.84	
14	Overpayments (Adj 14)		\$ (7,971)	
15	Medi-Cal Days (Adj 13)	6,825	6,821	
16	Medi-Cal Managed Care Days (Adj )		0	
<b>INTERMEDIATE CARE</b>				
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	
<b>MENTALLY DISORDERED CARE</b>				
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	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
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	
<b>SUBACUTE CARE</b>				
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:**  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

**Provider NPI:**  
1750398921

**OSHPD Facility No.:**  
206331352

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SUBACUTE CARE - PEDIATRIC</b>				
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	
<b>TRANSITIONAL INPATIENT CARE</b>				
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	
<b>HOSPICE INPATIENT CARE</b>				
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	
<b>OTHER ROUTINE SERVICES</b>				
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:**  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

**Provider NPI:**  
1750398921

**OSHPD Facility No.:**  
206331352

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
<b>GENERAL SERVICES</b>					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 115,310	\$ 115,310		
160	Activities	68,980		\$ 68,980	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
<b>ANCILLARY SERVICES</b>					
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	510,909	0	0	510,909
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	177,214	0	0	177,214
083	Speech Pathology	24,546	0	0	24,546
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
<b>ROUTINE SERVICES</b>					
105	Skilled Nursing Care	2,193,361	115,310	68,980	2,377,651 *
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 *
<b>NONREIMBURSABLE</b>					
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 3,090,320</b>	<b>\$ 115,310</b>	<b>\$ 68,980</b>	<b>\$ 3,090,320</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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 Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 105,894	\$ 105,894										
010	Housekeeping	105,503	342	\$ 105,845									
060	Laundry and Linen	78,318	2,782	2,790	\$ 83,890								
065	Dietary	384,423	6,323	6,340	0	\$ 397,086							
155	Social Services	N/A	367	368	0	0	\$ 734						
160	Activities	N/A	8,014	8,036	0	0	0	\$ 16,050					
165	Administration	N/A	3,149	3,158	0	0	0	0		\$ 6,306	\$ 6,306		
166	Medical Records	90,240	1,108	1,111	0	0	0	0		92,459		\$ 92,459	
170	Inservice Education - Nursing	201,848	4,057	4,068	0	0	0	0	\$ 209,973				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		1,325	1,328	0	0	0	0	0	2,653	77	1,128	\$ 3,858
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		4,040	4,051	0	0	0	0	0	8,092	576	8,442	17,110
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		3,265	3,274	0	0	0	0	0	6,540	225	3,306	10,071
083	Speech Pathology		775	777	0	0	0	0	0	1,552	35	518	2,105
085	Pharmacy		866	869	0	0	0	0	0	1,735	495	7,254	9,484
090	Laboratory		0	0	0	0	0	0	0	0	31	459	491
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	28	403	431
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
<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care		68,616	68,806	83,890	397,086	734	16,050	209,973	845,155	4,823	70,704	920,681
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
<b>NONREIMBURSABLE</b>													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		866	869	0	0	0	0	0	1,735	17	244	1,995
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 966,226</b>	<b>\$ 105,894</b>	<b>\$ 105,845</b>	<b>\$ 83,890</b>	<b>\$ 397,086</b>	<b>\$ 734</b>	<b>\$ 16,050</b>	<b>\$ 209,973</b>	<b>\$ 867,461</b>	<b>\$ 6,306</b>	<b>\$ 92,459</b>	<b>\$ 966,226</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 279,809	\$ 279,809										
010	Housekeeping	26,336	902	\$ 27,238									
060	Laundry and Linen	10,567	7,352	718	\$ 18,637								
065	Dietary	174,547	16,707	1,632	0	\$ 192,885							
155	Social Services	1,880	969	95	0	0	\$ 2,943						
160	Activities	8,699	21,175	2,068	0	0	0	\$ 31,942					
165	Administration	N/A	8,320	813	0	0	0	0		\$ 9,133	\$ 9,133		
166	Medical Records	19,569	2,928	286	0	0	0	0		22,782		\$ 22,782	
170	Inservice Education - Nursing	0	10,720	1,047	0	0	0	0	\$ 11,766				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	58,163	3,500	342	0	0	0	0	0	62,005	111	278	\$ 62,394
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	361	10,676	1,043	0	0	0	0	0	12,079	834	2,080	14,993
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	1,181	8,628	843	0	0	0	0	0	10,652	327	815	11,793
083	Speech Pathology	0	2,047	200	0	0	0	0	0	2,247	51	128	2,426
085	Pharmacy	473,052	2,289	224	0	0	0	0	0	475,565	717	1,788	478,069
090	Laboratory	30,672	0	0	0	0	0	0	0	30,672	45	113	30,831
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	26,934	0	0	0	0	0	0	0	26,934	40	99	27,073
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
<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care	314,729	181,308	17,707	18,637	192,885	2,943	31,942	11,766	771,917	6,984	17,422	796,323 *
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 *
<b>NONREIMBURSABLE</b>													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	5,050	2,289	224	0	0	0	0	0	7,563	24	60	7,647
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,431,549</b>	<b>\$ 279,809</b>	<b>\$ 27,238</b>	<b>\$ 18,637</b>	<b>\$ 192,885</b>	<b>\$ 2,943</b>	<b>\$ 31,942</b>	<b>\$ 11,766</b>	<b>\$ 1,399,634</b>	<b>\$ 9,133</b>	<b>\$ 22,782</b>	<b>\$ 1,431,549</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 785,274	92%							
	Property Tax (line 40)	63,695	8%	\$ 848,969						
005	Plant Operations and Maintenance			74,120	\$ 74,120					
010	Housekeeping			2,499	239	\$ 2,738				
060	Laundry and Linen			20,359	1,947	72	\$ 22,378			
065	Dietary			46,264	4,426	164	0	\$ 50,854		
155	Social Services			2,682	257	10	0	0	\$ 2,948	
160	Activities			58,638	5,609	208	0	0	0	\$ 64,455
165	Administration			23,041	2,204	82	0	0	0	0
166	Medical Records			8,107	775	29	0	0	0	0
170	Inservice Education - Nursing			29,685	2,840	105	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			9,692	927	34	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			29,563	2,828	105	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			23,894	2,286	85	0	0	0	0
083	Speech Pathology			5,669	542	20	0	0	0	0
085	Pharmacy			6,339	606	22	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
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			502,079	48,028	1,780	22,378	50,854	2,948	64,455
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
<b>NONREIMBURSABLE</b>										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			6,339	606	22	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 848,969</b>	<b>100%</b>	<b>\$ 848,969</b>	<b>\$ 74,120</b>	<b>\$ 2,738</b>	<b>\$ 22,378</b>	<b>\$ 50,854</b>	<b>\$ 2,948</b>	<b>\$ 64,455</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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 92% Of Total	Property Tax 8% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 785,274	92%							
	Property Tax (line 40)	63,695	8%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 25,326	\$ 25,326				
166	Medical Records				8,911		\$ 8,911			
170	Inservice Education - Nursing			\$ 32,629						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	10,653	309	109	\$ 11,071	\$ 10,240	\$ 831
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	32,495	2,313	814	35,622	32,949	2,673
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	26,264	905	319	27,488	25,426	2,062
083	Speech Pathology			0	6,231	142	50	6,423	5,941	482
085	Pharmacy			0	6,968	1,987	699	9,654	8,930	724
090	Laboratory			0	0	126	44	170	157	13
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	111	39	149	138	11
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
	<b>ROUTINE SERVICES</b>									
105	Skilled Nursing Care			32,629	725,151	19,367	6,814	751,333	694,963	56,370 *
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 *
	<b>NONREIMBURSABLE</b>									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	6,968	67	23	7,058	6,529	530
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 848,969	100%	\$ 32,629	\$ 814,732	\$ 25,326	\$ 8,911	\$ 848,969	\$ 785,274	\$ 63,695

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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. 72% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 5% of Total	Quality Assur. Fees 21% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 2,772												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,011,145												
	Total Costs Allocable as Administration	1,013,917	72%											
167	CDPH Licensing Fees	19,200	1%											
168	Professional Liability Insurance	77,121	5%											
169	Quality Assurance Fees	293,158	21%											
174	Caregiver Training	0	0%											
	Total	1,403,396	100%						\$ 1,403,396					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 2,653	\$ 62,005	\$ 10,653	\$ 75,310	17,124	\$ 12,371	\$ 234	\$ 941	\$ 3,577	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			510,909	8,092	12,079	32,495	563,575	128,143	92,580	1,753	7,042	26,768	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			177,214	6,540	10,652	26,264	220,670	50,175	36,250	686	2,757	10,481	0
083	Speech Pathology			24,546	1,552	2,247	6,231	34,576	7,862	5,680	108	432	1,642	0
085	Pharmacy			0	1,735	475,565	6,968	484,268	110,111	79,552	1,506	6,051	23,001	0
090	Laboratory			0	0	30,672	0	30,672	6,974	5,039	95	383	1,457	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	26,934	0	26,934	6,124	4,425	84	337	1,279	0
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
<b>ROUTINE SERVICES</b>														
105	Skilled Nursing Care			2,377,651	845,155	771,917	725,151	4,719,874	1,073,185	775,348	14,682	58,975	224,180	0
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
<b>NONREIMBURSABLE</b>														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,735	7,563	6,968	16,266	3,698	2,672	51	203	773	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,403,396		\$ 3,090,320	\$ 867,461	\$ 1,399,634	\$ 814,732	\$ 6,172,146	\$ 1,403,396					
	Total Administrative Costs							\$ 1,403,396		\$ 1,013,917	\$ 19,200	\$ 77,121	\$ 293,158	\$ -
	Unit Cost Multiplier							0.22737570						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 98,765	\$ 31,915	\$ 34,237	\$ 164,918							
	<b>TOTAL FACILITY COSTS</b>							\$ 7,740,460						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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 )	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)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	1,216									
010	Housekeeping	41	41								
060	Laundry and Linen	334	334	334							
065	Dietary	759	759	759							
155	Social Services	44	44	44							
160	Activities	962	962	962							
165	Administration	378	378	378							
166	Medical Records	133	133	133							
170	Inservice Education - Nursing	487	487	487							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	159	159	159						75,310	75,310
077	Specialized Support Surfaces									0	0
080	Physical Therapy	485	485	485						563,575	563,575
081	Respiratory Therapy									0	0
082	Occupational Therapy	392	392	392						220,670	220,670
083	Speech Pathology	93	93	93						34,576	34,576
085	Pharmacy	104	104	104						484,268	484,268
090	Laboratory									30,672	30,672
095	Home Health Services									0	0
100	Other Ancillary Services									26,934	26,934
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	8,237	8,237	8,237	213,520	64,056	2,508,090	2,508,090	2,508,090	4,719,874	4,719,874
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
	<b>NONREIMBURSABLE</b>										
139	Residential Care									0	0
140	Beauty and Barber	104	104	104						16,266	16,266
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	13,928	12,712	12,671	213,520	64,056	2,508,090	2,508,090	2,508,090	6,172,146	6,172,146
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 115,310	\$ 68,980			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.045975224	0.027503			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 105,894	\$ 105,845	\$ 83,890	\$ 397,086	734	\$ 16,050	\$ 209,973	\$ 6,306	\$ 92,459
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		8.33023914	8.35329018	0.39289200	6.19904144	0.00029268	0.00639912	0.08371824	0.00102175	0.01498003
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 279,809	\$ 27,238	\$ 18,637	\$ 192,885	\$ 2,943	\$ 31,942	\$ 11,766	\$ 9,133	\$ 22,782
	UNIT COST MULTIPLIER (INDIRECT OTHER)		22.01140655	2.14966993	0.08728363	3.01119734	0.00117344	0.01273557	0.00469140	0.00147969	0.00369117
	TOTAL CAPITAL COSTS - SCH. 5	\$ 848,969	\$ 74,120	\$ 2,738	\$ 22,378	\$ 50,854	\$ 2,948	\$ 64,455	\$ 32,629	\$ 25,326	\$ 8,911
	UNIT COST MULTIPLIER (CAPITAL COSTS)	60.95412120	5.83072777	0.21609808	0.10480665	0.79389470	0.00117541	0.02569880	0.01300969	0.00410333	0.00144377

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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	\$ 76,453	\$ 0	\$ 76,453	(Sch 3)
005	.20-.39	Fringe Benefits	6200	29,664	(223)	29,441	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	281,712	(1,903)	279,809	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 387,829	\$ (2,126)	\$ 385,703	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300	1,288	(1,288)	0	(Sch 3)
010	.79	Agency Staff	6300	105,503	0	105,503	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	25,048	1,288	26,336	(Sch 4)
010		Housekeeping - Total	6300	\$ 131,839	\$ 0	\$ 131,839	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	55,547	0	55,547	(Sch 5)
025		Depreciation: Equipment	7140	66,645	0	66,645	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	2,223	0	2,223	(Sch 5)
035		Leases and Rentals	7200	591,103	69,756	660,859	(Sch 5)
040		Property Taxes	7300	73,129	(9,434)	63,695	(Sch 5)
045		Property Insurance	7400		2,772	2,772	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,308,315	\$ 60,968	\$ 1,369,283	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400		0	0	(Sch 3)
060	.79	Agency Staff	6400	78,318	0	78,318	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	13,153	(2,586)	10,567	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 91,471	\$ (2,586)	\$ 88,885	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$	\$ 0	\$ 0	(Sch 3)
065	.20-.39	Fringe Benefits	6500		0	0	(Sch 3)
065	.79	Agency Staff	6500	384,423	0	384,423	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	178,865	(4,318)	174,547	(Sch 4)
065		Dietary - Total	6500	\$ 563,288	\$ (4,318)	\$ 558,970	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	72,292	(14,129)	58,163	(Sch 4)
075		Patient Supplies - Total	8100	\$ 72,292	\$ (14,129)	\$ 58,163	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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	\$ 377,402	\$ 0	\$ 377,402	(Sch 2)
080	.20-.39	Fringe Benefits	8200	133,507	0	133,507	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	361	0	361	(Sch 4)
080		Physical Therapy - Total	8200	\$ 511,270	\$ 0	\$ 511,270	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 134,077	\$ 0	\$ 134,077	(Sch 2)
082	.20-.39	Fringe Benefits	8250	43,137	0	43,137	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	1,181	0	1,181	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 178,395	\$ 0	\$ 178,395	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 18,976	\$ 0	\$ 18,976	(Sch 2)
083	.20-.39	Fringe Benefits	8280	5,570	0	5,570	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280		0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 24,546	\$ 0	\$ 24,546	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300		0	0	(Sch 2)
085	.79	Agency Staff	8300		0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	473,052	0	473,052	(Sch 4)
085		Pharmacy - Total	8300	\$ 473,052	\$ 0	\$ 473,052	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400		0	0	(Sch 2)
090	.79	Agency Staff	8400		0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	30,672	0	30,672	(Sch 4)
090		Laboratory - Total	8400	\$ 30,672	\$ 0	\$ 30,672	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		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	(Sch 2)
100	.20-.39	Fringe Benefits	8900		0	0	(Sch 2)
100	.79	Agency Staff	8900		0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	26,934	0	26,934	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 26,934	\$ 0	\$ 26,934	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
101	.79	Agency Staff	8100-8900		0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900		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	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
102	.79	Agency Staff	8100-8900		0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 1,317,161	\$ (14,129)	\$ 1,303,032	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,992,085	\$ (149,790)	\$ 1,842,295	(Sch 2)
105	.20-.39	Fringe Benefits	6110	411,517	(60,451)	351,066	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	329,996	(15,267)	314,729	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,733,598	\$ (225,508)	\$ 2,508,090	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120		0	0	
110	.49	Agency Staff	6120		0	0	
110	.40-.99	Other - Nonlabor	6120		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	
115	.20-.39	Fringe Benefits	6130		0	0	
115	.49	Agency Staff	6130		0	0	
115	.40-.99	Other - Nonlabor	6130		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	
120	.20-.39	Fringe Benefits	6140		0	0	
120	.49	Agency Staff	6140		0	0	
120	.40-.99	Other - Nonlabor	6140		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	(Sch 2)
125	.20-.39	Fringe Benefits	6150		0	0	(Sch 2)
125	.49	Agency Staff	6150		0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150		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	(Sch 2)
126	.20-.39	Fringe Benefits	6160		0	0	(Sch 2)
126	.49	Agency Staff	6160		0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160		0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0
		<b>Other Nonreimbursable</b>				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0
139	.20-.39	Fringe Benefits	9100		0	0
139	.49	Agency Staff	9100		0	0
139	.40-.99	Other - Nonlabor	9100		0	0
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0
140	.20-.39	Fringe Benefits	8900		0	0
140	.49	Agency Staff	8900		0	0
140	.40-.99	Other - Nonlabor	8900	5,050	0	5,050
140		Beauty and Barber - Total	8900	\$ 5,050	\$ 0	\$ 5,050
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0
145	.20-.39	Fringe Benefits	9100		0	0
145	.49	Agency Staff	9100		0	0
145	.40-.99	Other - Nonlabor	9100		0	0
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 2,738,648	\$ (225,508)	\$ 2,513,140
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 87,348	\$ 0	\$ 87,348
155	.20-.39	Fringe Benefits	6600	27,962	0	27,962
155	.49	Agency Staff	6600		0	0
155	.40-.99	Other - Nonlabor	6600	1,880	0	1,880
155		Social Services - Total	6600	\$ 117,190	\$ 0	\$ 117,190

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

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

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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	\$ 51,356	\$ 0	\$ 51,356	(Sch 2)
160	.20-.39	Fringe Benefits	6700	17,624	0	17,624	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	8,699	0	8,699	(Sch 4)
160		Activities - Total	6700	\$ 77,679	\$ 0	\$ 77,679	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 432,858	\$ (63,877)	\$ 368,981	(Sch 6)
165	.20-.39	Fringe Benefits	6900	156,622	(24,223)	132,399	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	534,152	(24,387)	509,765	(Sch 6)
165		Administration - Total	6900	\$ 1,123,632	\$ (112,487)	\$ 1,011,145	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 69,461	\$ 0	\$ 69,461	(Sch 3)
166	.20-.39	Fringe Benefits	6900	20,779	0	20,779	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	19,569	0	19,569	(Sch 4)
166		Medical Records - Total	6900	\$ 109,809	\$ 0	\$ 109,809	
167		CDPH Licensing Fees	6900	\$ 19,200	\$ 0	\$ 19,200	(Sch 6)
168		Professional Liability Insurance	6900	\$ 90,064	\$ (12,943)	\$ 77,121	(Sch 6)
169		Quality Assurance Fees	6900	\$ 293,158	\$ 0	\$ 293,158	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$	\$ 142,823	\$ 142,823	(Sch 3)
170	.20-.39	Fringe Benefits	6800		59,025	59,025	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 0	\$ 201,848	\$ 201,848	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 1,830,732	\$ 76,418	\$ 1,907,150	
200		<b>Total</b>		\$ 7,849,615	\$ (109,155)	\$ 7,740,460	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 151,947	
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\* For informational purposes only, this amount is included in various cost centers above.

Provider Name:  
CALIFORNIA NURSING AND REHABILITATION CENTER

Provider NPI:  
1750398921

OSHPD Facility Number:  
206331352

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

Line No.	Sub No.	TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
005	1	Plant Operations and Maintenance - Salaries and Wages	0							
005	2	Plant Operations and Maintenance - Fringe Benefits	(223)							
005	3	Plant Operations and Maintenance - Agency Staff	0							
005	4	Plant Operations and Maintenance - Other - Nonlabor	(1,903)	223	(2,126)					
010	1	Housekeeping - Salaries and Wages	0							
010	2	Housekeeping - Fringe Benefits	(1,288)							
010	3	Housekeeping - Agency Staff	0							
010	4	Housekeeping - Other - Nonlabor	1,288	1,288						
015	4	Depreciation: Buildings and Improvements	0							
020	4	Depreciation: Leasehold Improvements	0							
025	4	Depreciation: Equipment	0							
030	4	Depreciation and Amortization - Other	0							
035	4	Leases and Rentals	69,756		69,756					
040	4	Property Taxes	(9,434)				(2,772)			
045	4	Property Insurance	2,772				2,772			
050	4	Interest - Property, Plant, and Equipment	0							
055	4	Interest - Other	0							
060	1	Laundry and Linen - Salaries and Wages	0							
060	2	Laundry and Linen - Fringe Benefits	0							
060	3	Laundry and Linen - Agency Staff	0							
060	4	Laundry and Linen - Other - Nonlabor	(2,586)		(2,586)					
065	1	Dietary - Salaries and Wages	0							
065	2	Dietary - Fringe Benefits	0							
065	3	Dietary - Agency Staff	0							
065	4	Dietary - Other - Nonlabor	(4,318)		(4,318)					
070	4	Provision for Bad Debts	0							
075	1	Patient Supplies - Salaries and Wages	0							
075	2	Patient Supplies - Fringe Benefits	0							
075	3	Patient Supplies - Agency Staff	0							
075	4	Patient Supplies - Other - Nonlabor	(14,129)		(12,231)				(1,898)	
077	1	Specialized Support Surfaces - Salaries and Wages	0							
077	2	Specialized Support Surfaces - Fringe Benefits	0							
077	3	Specialized Support Surfaces - Agency Staff	0							
077	4	Specialized Support Surfaces - Other - Nonlabor	0							
080	1	Physical Therapy - Salaries and Wages	0							
080	2	Physical Therapy - Fringe Benefits	0							
080	3	Physical Therapy - Agency Staff	0							
080	4	Physical Therapy - Other - Nonlabor	0							
081	1	Respiratory Therapy - Salaries and Wages	0							
081	2	Respiratory Therapy - Fringe Benefits	0							
081	3	Respiratory Therapy - Agency Staff	0							
081	4	Respiratory Therapy - Other - Nonlabor	0							
082	1	Occupational Therapy - Salaries and Wages	0							
082	2	Occupational Therapy - Fringe Benefits	0							
082	3	Occupational Therapy - Agency Staff	0							
082	4	Occupational Therapy - Other - Nonlabor	0							
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	0							
083	3	Speech Pathology - Agency Staff	0							















Provider Name							Fiscal Period			Provider NPI		Adjustments
CALIFORNIA NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1750398921		14
Report References												
Cost Report							Audit Report					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.	Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
							<u>MEMORANDUM ADJUSTMENT</u>					
1	Not Reported			8	210		Group Health Insurance To include group health insurance in the audit for information purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$151,947	\$151,947

Provider Name							Fiscal Period	Provider NPI		Adjustments	
CALIFORNIA NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1750398921		14	
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.					
<b>RECLASSIFICATIONS OF REPORTED COSTS</b>											
2	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$29,664	(\$223)	\$29,441	
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	1,288	(1,288)	0	
	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	281,712	223	281,935 *	
	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor	25,048	1,288	26,336	
							To reclassify other nonlabor expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				
3	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	* \$281,935	(\$2,126)	\$279,809	
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor	13,153	(2,586)	10,567	
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	178,865	(4,318)	174,547	
	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	72,292	(12,231)	60,061 *	
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	329,996	(17,165)	312,831 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	534,152	(31,330)	502,822 *	
	10.5	035	4	8A-1	035	4	Leases and Rentals	591,103	69,756	660,859	
							To reclassify lease and rental expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				
4	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$1,992,085	(\$142,823)	\$1,849,262 *	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	411,517	(59,025)	352,492 *	
	10.5	170	1	8A-1	170	1	Inservice Education - Nursing - Salaries and Wages	0	142,823	142,823	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	0	59,025	59,025	
							To reclassify inservices education - nursing costs to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
CALIFORNIA NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1750398921		14	
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.					
<b><u>RECLASSIFICATIONS OF REPORTED COSTS</u></b>											
5	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	*	\$1,849,262	(\$6,967)	\$1,842,295
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	352,492	(1,426)	351,066
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages		432,858	6,967	439,825 *
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits		156,622	1,426	158,048 *
							To reclassify central supply clerk cost to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				
6	10.5	040	4	8A-1	040	4	Property Taxes		\$73,129	(\$2,772)	\$70,357 *
	10.5	045	4	8A-1	045	4	Property Insurance		0	2,772	2,772
							To reclassify property insurance to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				
7	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$502,822	\$12,943	\$515,765 *
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance		90,064	(12,943)	77,121
							To reclassify finance fees, taxes and other fees associated with liability insurance to the Administration cost center. 42 CFR 413.24 / CMS Pub. 15-1, Section 2162 CCR, Title 22, Sections 52000(b) and 52501				
8	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	*	\$60,061	(\$1,898)	\$58,163
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	*	312,831	1,898	314,729
							To reclassify skilled nursing enteral cost to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
CALIFORNIA NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1750398921		14
Report References											
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
<b>ADJUSTMENTS TO REPORTED COSTS</b>											
9	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	*	\$439,825	(\$70,844)	\$368,981
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	158,048	(25,649)	132,399
							To adjust owner compensation based on the federal administrator compensation guideline.				
							42 CFR 413.102				
							CMS Pub. 15-1, Sections 332, 900-907, 1002, 2102.1, 2142, 2144-2146				
							CCR, Title 22, Sections 52000(a) and 52504				
10	10.5	040	4	8A-1	040	4	Property Taxes	*	\$70,357	(\$6,662)	\$63,695
							To adjust property tax expenses to agree with the provider's invoices.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
11	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$515,765	(\$6,000)	\$509,765
							To eliminate home office costs because the provider failed to file a home office cost report.				
							42 CFR 413.17				
							CMS Pub. 15-1, Sections 2150, 2150.2, 2153 and 2304				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
CALIFORNIA NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1750398921		14
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.				
<b>ADJUSTMENTS TO REPORTED PATIENT DAYS</b>										
12	4.1	70	6	1	12		Total Patient Days To adjust total patient days to agree with the provider's patient census report. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300 and 2304	21,559	(22)	21,537
13	4.1	70	2	1	15		Medi-Cal Days To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through June 30, 2012 Report Date: August 1, 2012 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, Section 51541	6,825	(4)	6,821

Provider Name							Fiscal Period			Provider NPI		Adjustments
CALIFORNIA NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1750398921		14
Report References												
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
<u>ADJUSTMENT TO OTHER MATTERS</u>												
14	Not Reported			1	14		Overpayments 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			\$0	\$7,971	\$7,971