

**REPORT
ON THE
RATE SETTING AUDIT**

**ARROWHEAD HOME CONVALESCENT HOSPITAL
SAN BERNARDINO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1447248075**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Julio M. Cueto
Audit Supervisor: Lucia Martinez
Auditor: Daniela Bitá Mocanu**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

August 8, 2013

Donald Popovich, Administrator
Arrowhead Home Convalescent Hospital
4343 North Sierra Way
San Bernardino, CA 92407

ARROWHEAD HOME CONVALESCENT HOSPITAL
NATIONAL PROVIDER IDENTIFIER (NPI) 1447248075
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 \$1,071, which resulted from Medi-Cal overpayments

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

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.

Donald Popovich
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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—Rancho Cucamonga at (909) 481-3420.

Original Signed By

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

Certified

cc: Alisha J. Vinson, Controller

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility No.:
206361102

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	\$ 1,328,458	\$ 63.93
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 502,850	\$ 24.20
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 451,528	\$ 21.73
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 112,926	\$ 5.43
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 1,359	\$ 0.07
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 17,208	\$ 0.83
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 282,284	\$ 13.59
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 242,674	\$ 11.68
11	Cost of Routine Service/Audited Total Costs	\$ 2,986,285	\$ 2,939,287	\$ 141.45
12	Total Patient Days (Adj)	20,779	20,779	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 143.72	\$ 141.45	
14	Overpayments (Adjs 27,28)	\$ 0	\$ (1,071)	
15	Medi-Cal Days (Adj 26)	20,779	20,606	
16	Medi-Cal Managed Care Days (Adj)		0	
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:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility No.:
206361102

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:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility No.:
206361102

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	\$ 41,502	\$ 41,502		
160	Activities	45,884		\$ 45,884	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	ANCILLARY SERVICES				
075	Patient Supplies	0	0	0	0
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	1,241,072	41,502	45,884	1,328,458 *
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	\$ 1,328,458	\$ 41,502	\$ 45,884	\$ 1,328,458

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 88,244	\$ 88,244										
010	Housekeeping	69,586	1,569	\$ 71,155									
060	Laundry and Linen	61,176	3,478	2,855	\$ 67,509								
065	Dietary	179,019	7,080	5,812	0	\$ 191,912							
155	Social Services	N/A	1,366	1,122	0	0	\$ 2,488						
160	Activities	N/A	3,400	2,791	0	0	0	\$ 6,190					
165	Administration	N/A	7,584	6,226	0	0	0	0	\$ 13,809	\$ 13,809			
166	Medical Records	47,574	1,569	1,288	0	0	0	0	50,431		\$ 50,431		
170	Inservice Education - Nursing	58,302	994	816	0	0	0	0	\$ 60,111				
ANCILLARY SERVICES													
075	Patient Supplies		523	429	0	0	0	0	0	952	14	52	\$ 1,018
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		0	0	0	0	0	0	0	0	0	0	0
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		0	0	0	0	0	0	0	0	0	0	0
083	Speech Pathology		0	0	0	0	0	0	0	0	0	0	0
085	Pharmacy		0	0	0	0	0	0	0	0	0	0	0
090	Laboratory		0	0	0	0	0	0	0	0	0	0	0
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	0	0	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
ROUTINE SERVICES													
105	Skilled Nursing Care		60,682	49,816	67,509	191,912	2,488	6,190	60,111	438,708	13,788	50,354	502,850 *
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	0	0	0	0	0	0	0	7	26	33
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 503,901	\$ 88,244	\$ 71,155	\$ 67,509	\$ 191,912	\$ 2,488	\$ 6,190	\$ 60,111	\$ 439,661	\$ 13,809	\$ 50,431	\$ 503,901

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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	\$ 92,930	\$ 92,930										
010	Housekeeping	26,615	1,652	\$ 28,267									
060	Laundry and Linen	10,653	3,663	1,134	\$ 15,450								
065	Dietary	145,720	7,456	2,309	0	\$ 155,485							
155	Social Services	2,991	1,439	446	0	0	\$ 4,876						
160	Activities	7,613	3,580	1,109	0	0	0	\$ 12,302					
165	Administration	N/A	7,986	2,473	0	0	0	0		\$ 10,460	\$ 10,460		
166	Medical Records	6,585	1,652	512	0	0	0	0		8,749		\$ 8,749	
170	Inservice Education - Nursing	2,827	1,046	324	0	0	0	0	\$ 4,198				
ANCILLARY SERVICES													
075	Patient Supplies	0	551	171	0	0	0	0	0	721	11	9	\$ 741
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	0	0	0	0	0	0	0	0	0	0	0	0
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	0	0	0	0	0	0	0	0	0	0	0
083	Speech Pathology	0	0	0	0	0	0	0	0	0	0	0	0
085	Pharmacy	0	0	0	0	0	0	0	0	0	0	0	0
090	Laboratory	0	0	0	0	0	0	0	0	0	0	0	0
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
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	156,345	63,904	19,790	15,450	155,485	4,876	12,302	4,198	432,349	10,443	8,736	451,528 *
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	1,176	0	0	0	0	0	0	0	1,176	5	4	1,186
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 453,455	\$ 92,930	\$ 28,267	\$ 15,450	\$ 155,485	\$ 4,876	\$ 12,302	\$ 4,198	\$ 434,246	\$ 10,460	\$ 8,749	\$ 453,455

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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)	\$ 113,630	99%							
	Property Tax (line 40)	1,367	1%	\$ 114,997						
005	Plant Operations and Maintenance			2,793	\$ 2,793					
010	Housekeeping			1,995	50	\$ 2,045				
060	Laundry and Linen			4,422	110	82	\$ 4,614			
065	Dietary			9,003	224	167	0	\$ 9,394		
155	Social Services			1,737	43	32	0	0	\$ 1,813	
160	Activities			4,323	108	80	0	0	0	\$ 4,510
165	Administration			9,643	240	179	0	0	0	0
166	Medical Records			1,995	50	37	0	0	0	0
170	Inservice Education - Nursing			1,264	31	23	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			665	17	12	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	0	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0
083	Speech Pathology			0	0	0	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			77,158	1,921	1,432	4,614	9,394	1,813	4,510
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	0	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 114,997	100%	\$ 114,997	\$ 2,793	\$ 2,045	\$ 4,614	\$ 9,394	\$ 1,813	\$ 4,510

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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 99% Of Total	Property Tax 1% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 113,630	99%							
	Property Tax (line 40)	1,367	1%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 10,062	\$ 10,062				
166	Medical Records				2,082		\$ 2,082			
170	Inservice Education - Nursing			\$ 1,318						
	ANCILLARY SERVICES									
075	Patient Supplies			0	694	10	2	\$ 706	\$ 698	\$ 8
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	0	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0
083	Speech Pathology			0	0	0	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			1,318	102,160	10,046	2,079	114,284	112,926	1,359
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	0	5	1	6	6	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 114,997	100%	\$ 1,318	\$ 102,854	\$ 10,062	\$ 2,082	\$ 114,997	\$ 113,630	\$ 1,367

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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. 45% of Total	DPH Licensing Fees 3% of Total	Professional Liability Ins. 0% of Total	Quality Assur. Fees 52% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 13,055												
055	Interest - Other	10,943												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	219,050												
	Total Costs Allocable as Administration	243,048	45%											
167	CDPH Licensing Fees	17,234	3%											
168	Professional Liability Insurance	0	0%											
169	Quality Assurance Fees	282,719	52%											
174	Caregiver Training	0	0%											
	Total	543,001	100%						\$ 543,001					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 952	\$ 721	\$ 694	\$ 2,368	558	\$ 250	\$ 18	\$ -	\$ 290	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	0	0	0	0	0	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0	0	0	0	0
083	Speech Pathology			0	0	0	0	0	0	0	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0	0	0	0	0
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	0	0	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
ROUTINE SERVICES														
105	Skilled Nursing Care			1,328,458	438,708	432,349	102,160	2,301,675	542,166	242,674	17,208	0	282,284	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
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	0	1,176	0	1,176	277	124	9	0	144	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 543,001		\$ 1,328,458	\$ 439,661	\$ 434,246	\$ 102,854	\$ 2,305,219	\$ 543,001					
	Total Administrative Costs							\$ 543,001		\$ 243,048	\$ 17,234	\$ -	\$ 282,719	\$ -
	Unit Cost Multiplier							0.23555291						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 64,240	\$ 19,209	\$ 12,143	\$ 95,592							
	TOTAL FACILITY COSTS							\$ 2,943,812						

*(To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 23)	Plant Ops (SQ FT) 5 (Adj 23)	Hskpng (SQ FT) 10 (Adj 23)	Laundry (LBS) 60 (Adj 24)	Dietary (MEALS) 65 (Adj 25)	Soc Srvs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	Inserv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	336									
010	Housekeeping	240	240								
060	Laundry and Linen	532	532	532							
065	Dietary	1,083	1,083	1,083							
155	Social Services	209	209	209							
160	Activities	520	520	520							
165	Administration	1,160	1,160	1,160							
166	Medical Records	240	240	240							
170	Inservice Education - Nursing	152	152	152							
	ANCILLARY SERVICES										
075	Patient Supplies	80	80	80						2,368	2,368
077	Specialized Support Surfaces									0	0
080	Physical Therapy									0	0
081	Respiratory Therapy									0	0
082	Occupational Therapy									0	0
083	Speech Pathology									0	0
085	Pharmacy									0	0
090	Laboratory									0	0
095	Home Health Services									0	0
100	Other Ancillary Services									0	0
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	9,282	9,282	9,282	52,986	62,337	1,397,417	1,397,417	1,397,417	2,301,675	2,301,675
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									1,176	1,176
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	13,834	13,498	13,258	52,986	62,337	1,397,417	1,397,417	1,397,417	2,305,219	2,305,219
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 41,502 0.029699081	\$ 45,884 0.032834866			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 88,244 6.53756112	\$ 71,155 5.36694936	\$ 67,509 1.27409504	\$ 191,912 3.07861438	\$ 2,488 0.00178046	\$ 6,190 0.00442985	\$ 60,111 0.04301614	\$ 13,809 0.00599042	\$ 50,431 0.02187692
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 92,930 6.88472366	\$ 28,267 2.13209637	\$ 15,450 0.29158548	\$ 155,485 2.49426851	\$ 4,876 0.00348895	\$ 12,302 0.00880320	\$ 4,198 0.00300380	\$ 10,460 0.00453732	\$ 8,749 0.00379532
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 114,997 8.31263554	\$ 2,793 0.20692292	\$ 2,045 0.15422341	\$ 4,614 0.08708814	\$ 9,394 0.15069230	\$ 1,813 0.00129727	\$ 4,510 0.00322765	\$ 1,318 0.00094347	\$ 10,062 0.00436470	\$ 2,082 0.00090304

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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	\$ 74,600	\$ 0	\$ 74,600	(Sch 3)
005	.20-.39	Fringe Benefits	6200	14,034	(390)	13,644	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	95,230	(2,300)	92,930	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 183,864	\$ (2,690)	\$ 181,174	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 58,827	\$ 0	\$ 58,827	(Sch 3)
010	.20-.39	Fringe Benefits	6300	11,427	(668)	10,759	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	26,942	(327)	26,615	(Sch 4)
010		Housekeeping - Total	6300	\$ 97,196	\$ (995)	\$ 96,201	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	2,850	0	2,850	(Sch 5)
025		Depreciation: Equipment	7140		0	0	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	2,124	0	2,124	(Sch 5)
035		Leases and Rentals	7200	107,371	1,285	108,656	(Sch 5)
040		Property Taxes	7300	1,330	37	1,367	(Sch 5)
045		Property Insurance	7400	13,513	(458)	13,055	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 6)
055		Interest - Other	7600	\$ 10,943	\$ 0	\$ 10,943	(Sch 6)
057		Subtotal 005 - 055		\$ 419,191	\$ (2,821)	\$ 416,370	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 51,717	\$ 0	\$ 51,717	(Sch 3)
060	.20-.39	Fringe Benefits	6400	9,644	(185)	9,459	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	10,653	0	10,653	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 72,014	\$ (185)	\$ 71,829	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 151,340	\$ 0	\$ 151,340	(Sch 3)
065	.20-.39	Fringe Benefits	6500	27,647	32	27,679	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	165,673	(19,953)	145,720	(Sch 4)
065		Dietary - Total	6500	\$ 344,660	\$ (19,921)	\$ 324,739	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
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		0	0	(Sch 4)
075		Patient Supplies - Total	8100	\$ 0	\$ 0	\$ 0	
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:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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	(Sch 2)
080	.20-.39	Fringe Benefits	8200		0	0	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200		0	0	(Sch 4)
080		Physical Therapy - Total	8200	\$ 0	\$ 0	\$ 0	
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	\$	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250		0	0	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250		0	0	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 0	\$ 0	\$ 0	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280		0	0	(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	\$ 0	\$ 0	\$ 0	
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		0	0	(Sch 4)
085		Pharmacy - Total	8300	\$ 0	\$ 0	\$ 0	
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		0	0	(Sch 4)
090		Laboratory - Total	8400	\$ 0	\$ 0	\$ 0	
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		0	0	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
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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		\$ 0	\$ 0	\$ 0	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,049,185	\$ 0	\$ 1,049,185	(Sch 2)
105	.20-.39	Fringe Benefits	6110	193,085	(1,198)	191,887	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	168,807	(12,462)	156,345	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,411,077	\$ (13,660)	\$ 1,397,417	
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:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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 (Sch 2)
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 (Sch 2)
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 (Sch 2)
		Other Nonreimbursable				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		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 (Sch 2)
140	.20-.39	Fringe Benefits	8900		0	0 (Sch 2)
140	.49	Agency Staff	8900		0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900		1,176	1,176 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 1,176	\$ 1,176
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		Subtotal 105 - 145		\$ 1,411,077	\$ (12,484)	\$ 1,398,593
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 35,085	\$ 0	\$ 35,085 (Sch 2)
155	.20-.39	Fringe Benefits	6600	6,208	209	6,417 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	2,991	0	2,991 (Sch 4)
155		Social Services - Total	6600	\$ 44,284	\$ 209	\$ 44,493

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

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

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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	\$ 38,790	\$ 0	\$ 38,790	(Sch 2)
160	.20-.39	Fringe Benefits	6700	7,225	(131)	7,094	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	7,613	0	7,613	(Sch 4)
160		Activities - Total	6700	\$ 53,628	\$ (131)	\$ 53,497	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 118,920	\$ 0	\$ 118,920	(Sch 6)
165	.20-.39	Fringe Benefits	6900	20,076	1,672	21,748	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	87,853	(9,471)	78,382	(Sch 6)
165		Administration - Total	6900	\$ 226,849	\$ (7,799)	\$ 219,050	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 40,218	\$ 0	\$ 40,218	(Sch 3)
166	.20-.39	Fringe Benefits	6900	7,080	276	7,356	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	6,585	0	6,585	(Sch 4)
166		Medical Records - Total	6900	\$ 53,883	\$ 276	\$ 54,159	
167		CDPH Licensing Fees	6900	\$ 17,234	\$ 0	\$ 17,234	(Sch 6)
168		Professional Liability Insurance	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
169		Quality Assurance Fees	6900	\$ 282,719	\$ 0	\$ 282,719	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 49,288	\$ 0	\$ 49,288	(Sch 3)
170	.20-.39	Fringe Benefits	6800	8,631	383	9,014	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	2,827	0	2,827	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 60,746	\$ 383	\$ 61,129	
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	
		Subtotal 155 - 174		\$ 739,343	\$ (7,062)	\$ 732,281	
200		Total		\$ 2,986,285	\$ (42,473)	\$ 2,943,812	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 66,327	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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
174	3	Caregiver Training - Agency Staff	0								
174	4	Caregiver Training - Other - Nonlabor	0								
200		Total	(\$42,473) (To Sch 8)	0	0	0	0	0	(400)	(1,900)	(327)

Provider Name:
ARROWHEAD HOME CONVALESCENT HOSPITAL

Provider NPI:
1447248075

OSHPD Facility Number:
206361102

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

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12,13	AUDIT ADJ 14-16	AUDIT ADJ 17-22						
174	3	Caregiver Training - Agency Staff											
174	4	Caregiver Training - Other - Nonlabor											
200		Total	37	(458)	(18,953)	(6,462)	(14,010)	0	0	0	0	0	

Provider Name							Fiscal Period			Provider NPI		Adjustments	
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1447248075		28	
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>MEMORANDUM ADJUSTMENT</u>													
1	Not Reportec			8	210		Total Facility Group Health Insurance To include group health insurance costs in the audit report for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$66,327	\$66,327	

Provider Name			Fiscal Period				Provider NPI		Adjustments	
ARROWHEAD HOME CONVALESCENT HOSPITAL			JANUARY 1, 2011 THROUGH DECEMBER 31, 2011				1447248075		28	
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>										
2	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$14,034	(\$390)	\$13,644
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	11,427	(668)	10,759
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	9,644	(185)	9,459
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	193,085	(1,198)	191,887
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	7,225	(131)	7,094
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	27,647	32	27,679
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	6,208	209	6,417
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	20,076	1,672	21,748
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	7,080	276	7,356
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	8,631	383	9,014
To reclassify employee benefits for proper cost allocation and to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sectons 2300, 2302.4, 2302.8, and 2304										
3	10.5	035	4	8A-1	035	4	Leases and Rentals	\$107,371	\$1,285	\$108,656 *
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	87,853	(1,285)	86,568 *
To reclassify lease expense from the using cost center to the Leases and Rentals cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 52000(e) and 52501 W&I Code Section 14126.023										
4	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	\$165,673	(\$1,000)	\$164,673 *
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 86,568	1,000	87,568 *
To reclassify travel expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sectons 2300, 2302.4, 2302.8, and 2304										

Provider Name							Fiscal Period		Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1447248075		28
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>											
5	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$168,807	(\$6,000)	\$162,807 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 87,568	6,000	93,568 *	
							To reclassify medical director fees to Administration cost center. 42 CFR 483.75(i)(2), 413.20, and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000(b)				
6	10.5	140	4	8A-1	140	4	Beauty and Barber	\$0	\$1,176	\$1,176	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 93,568	(1,176)	92,392 *	
							To reclassify beauty and barber expenses to a nonreimbursable cost center. 42 CFR 413.9, 413.20, and 413.24 CMS Pub. 15-1, Sections 2300, 2304, and 2328				

*Balance carried forward from prior/to subsequent adjustmen

Provider Name							Fiscal Period			Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1447248075		28
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	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor			\$95,230		
7							To eliminate plant and operations expense 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)				(\$400)	
8							To eliminate plant and operations expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				(1,900) (\$2,300)	\$92,930
9	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor To eliminate housekeeping supplies expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$26,942	(\$327)	\$26,615
10	10.5	040	4	8A-1	040	4	Property Taxes To adjust property taxes to agree with the provider's tax bills. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$1,330	\$37	\$1,367
11	10.5	045	4	8A-1	045	4	Property Insurance To adjust property insurance expense to agree with the provider's insurance policy. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$13,513	(\$458)	\$13,055

Provider Name							Fiscal Period		Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1447248075		28
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 COSTS											
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	*	\$164,673		
12							To eliminate dietary expenses 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)			(\$13,607)	
13							To eliminate dietary expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(5,346) (\$18,953)	\$145,720
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	*	\$162,807		
14							To eliminate late fee charges not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2105			(\$5,305)	
15							To eliminate veterinarian and restaurant expenses not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2105			(365)	
16							To eliminate medical supplies expense 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)			(792) (\$6,462)	\$156,345

*Balance carried forward from prior/to subsequent adjustmen

Provider Name							Fiscal Period			Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1447248075		28
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 COSTS												
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$92,392			
17							To eliminate travel expenses not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2105			(\$3,428)		
18							To eliminate entertainment expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(527)		
19							To eliminate automobile expenses not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2105			(718)		
20							To eliminate gasoline charges due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(561)		
21							To eliminate legal fees associated with California Department of Public Health or California Department of Health Care Services citation and penalties, and for penalties not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2105 W&I Code 14126.023(a)(5)(B)(i)			(7,621)		
22							To eliminate political contributions/lobby fees portion of CAHF dues not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.2, 2104, and 2139			(1,155) (\$14,010)	\$78,382	

*Balance carried forward from prior/to subsequent adjustmen

Provider Name							Fiscal Period	Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1447248075		28
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 STATISTICS										
23	10.7	005	1	7	005		Plant Operations and Maintenance (Square Feet)	0	336	336
	10.7	010	1,2	7	010		Housekeeping	0	240	240
	10.7	060	1,2,3	7	060		Laundry and Linen	0	532	532
	10.7	065	1,2,3	7	065		Dietary	0	1,083	1,083
	10.7	075	1,2,3	7	075		Patient Supplies	0	80	80
	10.7	105	1,2,3	7	105		Skilled Nursing Care	0	9,282	9,282
	10.7	155	1,2,3	7	155		Social Services	0	209	209
	10.7	160	1,2,3	7	160		Activities	0	520	520
	10.7	165	1,2,3	7	165		Administration	0	1,160	1,160
	10.7	166	1,2,3	7	166		Medical Records	0	240	240
	10.7	170	1,2,3	7	170		Inservice Education - Nursing	0	152	152
	10.7	175	1	7	N/A		Total Statistics - Square Feet	0	13,834	13,834
	10.7	175	2	7	N/A		Total Statistics - Square Feet	0	13,498	13,498
	10.7	175	3	7	N/A		Total Statistics - Square Feet	0	13,258	13,258
							To establish square footage statistics to agree with the provider's records. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306			
24	10.7	105	4	7	105		Skilled Nursing Care (Pounds of Laundry)	0	52,986	52,986
	10.7	175	4	7	N/A		Total Statistics - Pounds of Laundry	0	52,986	52,986
							To establish pounds of laundry statistics to agree with the provider's records. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306			
25	10.7	105	5	7	105		Skilled Nursing Care (Meals Served)	0	62,337	62,337
	10.7	175	5	7	N/A		Total Statistics - Meals Served	0	62,337	62,337
							To establish dietary meals statistics to agree with the provider's records. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306			

Provider Name							Fiscal Period			Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1447248075		28
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						
ADJUSTMENT TO REPORTED PATIENT DAYS												
26	4.1	5	2	1	15		Medi-Cal Days of Service - Skilled Nursing Care To adjust reported Medi-Cal 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 May 31, 2013 Report Date: June 3, 2013 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541			20,779	(173)	20,606

Provider Name							Fiscal Period			Provider NPI		Adjustments
ARROWHEAD HOME CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1447248075		28
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 OTHER MATTERS												
	Not Reported			1	14		Overpayments			\$0		
27							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				\$313	
28							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1				<u>758</u> \$1,071	\$1,071