

**REPORT
ON THE
RATE SETTING AUDIT**

**ENCINITAS NURSING AND REHABILITATION CENTER
ENCINITAS, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1265415749**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Margaret A. Varho
Audit Supervisor: Felipe Avila
Auditor: Ron Leiss**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

Date: May 9, 2013

Carol Sparks
Director of Reimbursement
Covenant Care, Inc.
27071 Aliso Creek Road, Suite 100
Aliso Viejo, CA 92656

ENCINITAS NURSING AND REHABILITATION CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1265415749
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 \$43,979 which resulted from Medi-Cal overpayments

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

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

Carol Sparks
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If you disagree with the decision of the Department, you may appeal by writing to:

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

If you have questions regarding this report, you may call the Audits Section—Santa Ana at (714) 558-4434.

(Original signed by Margaret Varho)

Margaret A. Varho, Chief
Audits Section—Santa Ana
Financial Audits Branch

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility No.:
206370752

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	\$ 3,276,823	\$ 106.39
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 814,443	\$ 26.44
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 636,229	\$ 20.66
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 402,336	\$ 13.06
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 45,674	\$ 1.48
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 18,209	\$ 0.59
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 62,281	\$ 2.02
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 321,692	\$ 10.44
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 802,813	\$ 26.07
11	Cost of Routine Service/Audited Total Costs	\$ 6,421,008.00	\$ 6,380,501	\$ 207.17
12	Total Patient Days (Adj)	30,799	30,799	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 208.48	\$ 207.17	
14	Overpayments (Adj 8)	\$ 0	\$ (43,979)	
15	Medi-Cal Days (Adj 7)	19,956	19,710	
16	Medi-Cal Managed Care Days (Adj)		0	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
18	Total Patient Days (Adj)	0	0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$ 0	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
22	Total Patient Days (Adj)	0	0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$ 0	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
26	Total Patient Days (Adj)	0	0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$ 0	\$ 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:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility No.:
206370752

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	\$ 0	
50	Total Patient Days (Adj)	0	0	
51	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
52	Overpayments (Adj)	\$ 0	\$ 0	
HOSPICE INPATIENT CARE				
53	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
54	Total Patient Days (Adj)	0	0	
55	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
56	Overpayments (Adj)	\$ 0	\$ 0	
OTHER ROUTINE SERVICES				
57	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
58	Total Patient Days (Adj)	0	0	
59	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
60	Overpayments (Adj)	\$ 0	\$ 0	

ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility No.:
206370752

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	\$ 128,786	\$ 128,786		
160	Activities	86,872		\$ 86,872	
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	3,061,165	128,786	86,872	3,276,823 *
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	\$ 3,276,823	\$ 128,786	\$ 86,872	\$ 3,276,823

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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	\$ 121,431	\$ 121,431										
010	Housekeeping	158,733	976	\$ 159,709									
060	Laundry and Linen	78,037	3,331	4,416	\$ 85,783								
065	Dietary	316,167	16,311	21,627	0	\$ 354,105							
155	Social Services	N/A	1,110	1,472	0	0	\$ 2,582						
160	Activities	N/A	1,110	1,472	0	0	0	\$ 2,582					
165	Administration	N/A	6,454	8,557	0	0	0	0		\$ 15,011	\$ 15,011		
166	Medical Records	105,618	1,013	1,343	0	0	0	0		107,973		\$ 107,973	
170	Inservice Education - Nursing	77,661	915	1,213	0	0	0	0	\$ 79,789				
ANCILLARY SERVICES													
075	Patient Supplies		878	1,165	0	0	0	0	0	2,043	107	766	\$ 2,916
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		4,612	6,114	0	0	0	0	0	10,726	1,481	10,656	22,864
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		488	647	0	0	0	0	0	1,135	636	4,575	6,346
083	Speech Pathology		244	324	0	0	0	0	0	568	156	1,125	1,849
085	Pharmacy		0	0	0	0	0	0	0	0	902	6,486	7,388
090	Laboratory		0	0	0	0	0	0	0	0	118	846	963
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	89	638	727
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		83,990	111,360	85,783	354,105	2,582	2,582	79,789	720,192	11,504	82,748	814,443 *
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	18	133	152
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 857,647	\$ 121,431	\$ 159,709	\$ 85,783	\$ 354,105	\$ 2,582	\$ 2,582	\$ 79,789	\$ 734,663	\$ 15,011	\$ 107,973	\$ 857,647

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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	\$ 145,772	\$ 145,772										
010	Housekeeping	59,720	1,172	\$ 60,892									
060	Laundry and Linen	31,818	3,998	1,684	\$ 37,500								
065	Dietary	207,320	19,581	8,246	0	\$ 235,146							
155	Social Services	9,739	1,333	561	0	0	\$ 11,633						
160	Activities	14,375	1,333	561	0	0	0	\$ 16,269					
165	Administration	N/A	7,747	3,262	0	0	0	0	\$ 11,010	\$ 11,010			
166	Medical Records	40,023	1,216	512	0	0	0	0	41,750		\$ 41,750		
170	Inservice Education - Nursing	0	1,098	463	0	0	0	0	\$ 1,561				
ANCILLARY SERVICES													
075	Patient Supplies	39,439	1,054	444	0	0	0	0	0	40,937	78	296	\$ 41,312
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	609,261	5,536	2,331	0	0	0	0	0	617,128	1,087	4,120	622,335
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	273,535	586	247	0	0	0	0	0	274,367	467	1,769	276,603
083	Speech Pathology	66,248	293	123	0	0	0	0	0	66,664	115	435	67,214
085	Pharmacy	393,335	0	0	0	0	0	0	0	393,335	661	2,508	396,504
090	Laboratory	51,289	0	0	0	0	0	0	0	51,289	86	327	51,702
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	38,707	0	0	0	0	0	0	0	38,707	65	247	39,019
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	150,403	100,826	42,458	37,500	235,146	11,633	16,269	1,561	595,795	8,438	31,996	636,229 *
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	8,067	0	0	0	0	0	0	0	8,067	14	51	8,132
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 2,139,051	\$ 145,772	\$ 60,892	\$ 37,500	\$ 235,146	\$ 11,633	\$ 16,269	\$ 1,561	\$ 2,086,291	\$ 11,010	\$ 41,750	\$ 2,139,051

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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)	\$ 430,829	90%							
	Property Tax (line 40)	48,909	10%	\$ 479,738						
005	Plant Operations and Maintenance			26,867	\$ 26,867					
010	Housekeeping			3,640	216	\$ 3,856				
060	Laundry and Linen			12,421	737	107	\$ 13,265			
065	Dietary			60,832	3,609	522	0	\$ 64,963		
155	Social Services			4,140	246	36	0	0	\$ 4,422	
160	Activities			4,140	246	36	0	0	0	\$ 4,422
165	Administration			24,069	1,428	207	0	0	0	0
166	Medical Records			3,776	224	32	0	0	0	0
170	Inservice Education - Nursing			3,412	202	29	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			3,276	194	28	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			17,198	1,020	148	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			1,820	108	16	0	0	0	0
083	Speech Pathology			910	54	8	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			313,236	18,583	2,689	13,265	64,963	4,422	4,422
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	\$ 479,738	100%	\$ 479,738	\$ 26,867	\$ 3,856	\$ 13,265	\$ 64,963	\$ 4,422	\$ 4,422

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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 90% Of Total	Property Tax 10% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 430,829	90%							
	Property Tax (line 40)	48,909	10%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 25,703	\$ 25,703				
166	Medical Records				4,033		\$ 4,033			
170	Inservice Education - Nursing			\$ 3,644						
	ANCILLARY SERVICES									
075	Patient Supplies			0	3,498	182	29	\$ 3,709	\$ 3,331	\$ 378
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	18,366	2,537	398	21,301	19,130	2,172
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	1,944	1,089	171	3,204	2,877	327
083	Speech Pathology			0	972	268	42	1,282	1,151	131
085	Pharmacy			0	0	1,544	242	1,786	1,604	182
090	Laboratory			0	0	201	32	233	209	24
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	152	24	176	158	18
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			3,644	425,222	19,698	3,091	448,011	402,336	45,674 *
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	32	5	37	33	4
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 479,738	100%	\$ 3,644	\$ 450,002	\$ 25,703	\$ 4,033	\$ 479,738	\$ 430,829	\$ 48,909

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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. 67% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 5% of Total	Quality Assur. Fees 27% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 17,209												
055	Interest - Other	37,941												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	992,400												
	Total Costs Allocable as Administration	1,047,550	67%											
167	CDPH Licensing Fees	23,760	2%											
168	Professional Liability Insurance	81,268	5%											
169	Quality Assurance Fees	419,760	27%											
174	Caregiver Training	0	0%											
	Total	1,572,338	100%						\$ 1,572,338					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 2,043	\$ 40,937	\$ 3,498	\$ 46,479	11,161	\$ 7,436	\$ 169	\$ 577	\$ 2,980	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	10,726	617,128	18,366	646,220	155,179	103,386	2,345	8,021	41,427	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	1,135	274,367	1,944	277,446	66,624	44,387	1,007	3,444	17,786	0
083	Speech Pathology			0	568	66,664	972	68,204	16,378	10,912	247	847	4,372	0
085	Pharmacy			0	0	393,335	0	393,335	94,453	62,928	1,427	4,882	25,216	0
090	Laboratory			0	0	51,289	0	51,289	12,316	8,205	186	637	3,288	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	38,707	0	38,707	9,295	6,193	140	480	2,481	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			3,276,823	720,192	595,795	425,222	5,018,032	1,204,995	802,813	18,209	62,281	321,692	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	8,067	0	8,067	1,937	1,291	29	100	517	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,572,338		\$ 3,276,823	\$ 734,663	\$ 2,086,291	\$ 450,002	\$ 6,547,779	\$ 1,572,338					
	Total Administrative Costs							\$ 1,572,338		\$ 1,047,550	\$ 23,760	\$ 81,268	\$ 419,760	\$ -
	Unit Cost Multiplier							0.24013303						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 122,984	\$ 52,760	\$ 29,736	\$ 205,480							
	TOTAL FACILITY COSTS							\$ 8,325,597						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	1,181									
010	Housekeeping	160	160								
060	Laundry and Linen	546	546	546							
065	Dietary	2,674	2,674	2,674							
155	Social Services	182	182	182							
160	Activities	182	182	182							
165	Administration	1,058	1,058	1,058							
166	Medical Records	166	166	166							
170	Inservice Education - Nursing	150	150	150							
	ANCILLARY SERVICES										
075	Patient Supplies	144	144	144						46,479	46,479
077	Specialized Support Surfaces									0	0
080	Physical Therapy	756	756	756						646,220	646,220
081	Respiratory Therapy									0	0
082	Occupational Therapy	80	80	80						277,446	277,446
083	Speech Pathology	40	40	40						68,204	68,204
085	Pharmacy									393,335	393,335
090	Laboratory									51,289	51,289
095	Home Health Services									0	0
100	Other Ancillary Services									38,707	38,707
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	13,769	13,769	13,769	61,598	92,088	3,211,568	3,211,568	3,211,568	5,018,032	5,018,032
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									8,067	8,067
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	21,088	19,907	19,747	61,598	92,088	3,211,568	3,211,568	3,211,568	6,547,779	6,547,779
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 128,786 0.040100661	\$ 86,872 0.027049715			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 121,431 6.09991460	\$ 159,709 8.08775947	\$ 85,783 1.39263402	\$ 354,105 3.84528756	\$ 2,582 0.00080402	\$ 2,582 0.00080402	\$ 79,789 0.02484430	\$ 15,011 0.00229247	\$ 107,973 0.01649004
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 145,772 7.32265032	\$ 60,892 3.08358860	\$ 37,500 0.60878286	\$ 235,146 2.55349538	\$ 11,633 0.00362220	\$ 16,269 0.00506573	\$ 1,561 0.00048604	\$ 11,010 0.00168146	\$ 41,750 0.00637627
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 479,738 22.74933612	\$ 26,867 1.34962405	\$ 3,856 0.19526174	\$ 13,265 0.21534214	\$ 64,963 0.70544207	\$ 4,422 0.00137676	\$ 4,422 0.00137676	\$ 3,644 0.00113469	\$ 25,703 0.00392550	\$ 4,033 0.00061591

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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	\$ 94,966	\$ 0	\$ 94,966	(Sch 3)
005	.20-.39	Fringe Benefits	6200	26,465	0	26,465	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	145,772	0	145,772	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 267,203	\$ 0	\$ 267,203	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 125,771	\$ 0	\$ 125,771	(Sch 3)
010	.20-.39	Fringe Benefits	6300	32,962	0	32,962	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	59,720	0	59,720	(Sch 4)
010		Housekeeping - Total	6300	\$ 218,453	\$ 0	\$ 218,453	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	57,812	0	57,812	(Sch 5)
025		Depreciation: Equipment	7140	32,172	0	32,172	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	340,845	0	340,845	(Sch 5)
040		Property Taxes	7300	57,782	(8,873)	48,909	(Sch 5)
045		Property Insurance	7400	17,209	0	17,209	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$ 37,941	\$ 0	\$ 37,941	(Sch 6)
057		Subtotal 005 - 055		\$ 1,029,417	\$ (8,873)	\$ 1,020,544	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 61,850	\$ 0	\$ 61,850	(Sch 3)
060	.20-.39	Fringe Benefits	6400	16,187	0	16,187	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	31,818	0	31,818	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 109,855	\$ 0	\$ 109,855	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 248,950	\$ 0	\$ 248,950	(Sch 3)
065	.20-.39	Fringe Benefits	6500	67,217	0	67,217	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	207,320	0	207,320	(Sch 4)
065		Dietary - Total	6500	\$ 523,487	\$ 0	\$ 523,487	
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	30,559	8,880	39,439	(Sch 4)
075		Patient Supplies - Total	8100	\$ 30,559	\$ 8,880	\$ 39,439	
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:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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	609,261	0	609,261	(Sch 4)
080		Physical Therapy - Total	8200	\$ 609,261	\$ 0	\$ 609,261	
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	273,535	0	273,535	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 273,535	\$ 0	\$ 273,535	
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	66,248	0	66,248	(Sch 4)
083		Speech Pathology - Total	8280	\$ 66,248	\$ 0	\$ 66,248	
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	393,335	0	393,335	(Sch 4)
085		Pharmacy - Total	8300	\$ 393,335	\$ 0	\$ 393,335	
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	51,289	0	51,289	(Sch 4)
090		Laboratory - Total	8400	\$ 51,289	\$ 0	\$ 51,289	
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	29,362	9,345	38,707	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 29,362	\$ 9,345	\$ 38,707	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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		\$ 1,453,589	\$ 18,225	\$ 1,471,814	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,400,361	\$ (2,997)	\$ 2,397,364	(Sch 2)
105	.20-.39	Fringe Benefits	6110	664,375	(574)	663,801	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	169,201	(18,798)	150,403	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 3,233,937	\$ (22,369)	\$ 3,211,568	
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:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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	8,067	0	8,067 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 8,067	\$ 0	\$ 8,067
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		\$ 3,242,004	\$ (22,369)	\$ 3,219,635
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 101,316	\$ 0	\$ 101,316 (Sch 2)
155	.20-.39	Fringe Benefits	6600	27,470	0	27,470 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	9,739	0	9,739 (Sch 4)
155		Social Services - Total	6600	\$ 138,525	\$ 0	\$ 138,525

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

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

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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	\$ 77,022	\$ 0	\$ 77,022	(Sch 2)
160	.20-.39	Fringe Benefits	6700	9,850	0	9,850	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	14,375	0	14,375	(Sch 4)
160		Activities - Total	6700	\$ 101,247	\$ 0	\$ 101,247	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 342,188	\$ 0	\$ 342,188	(Sch 6)
165	.20-.39	Fringe Benefits	6900	98,908	0	98,908	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	547,160	4,144	551,304	(Sch 6)
165		Administration - Total	6900	\$ 988,256	\$ 4,144	\$ 992,400	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 83,415	\$ 0	\$ 83,415	(Sch 3)
166	.20-.39	Fringe Benefits	6900	22,203	0	22,203	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	40,023	0	40,023	(Sch 4)
166		Medical Records - Total	6900	\$ 145,641	\$ 0	\$ 145,641	
167		CDPH Licensing Fees	6900	\$ 23,760	\$ 0	\$ 23,760	(Sch 6)
168		Professional Liability Insurance	6900	\$ 81,268	\$ 0	\$ 81,268	(Sch 6)
169		Quality Assurance Fees	6900	\$ 419,760	\$ 0	\$ 419,760	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 60,978	\$ 0	\$ 60,978	(Sch 3)
170	.20-.39	Fringe Benefits	6800	16,683	0	16,683	(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	\$ 77,661	\$ 0	\$ 77,661	
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		\$ 1,976,118	\$ 4,144	\$ 1,980,262	
200		Total		\$ 8,334,470	\$ (8,873)	\$ 8,325,597	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 285,328	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
ENCINITAS NURSING AND REHABILITATION CENTER

Provider NPI:
1265415749

OSHPD Facility Number:
206370752

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

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
005	1	Plant Operations and Maintenance - Salaries and Wages	0							
005	2	Plant Operations and Maintenance - Fringe Benefits	0							
005	3	Plant Operations and Maintenance - Agency Staff	0							
005	4	Plant Operations and Maintenance - Other - Nonlabor	0							
010	1	Housekeeping - Salaries and Wages	0							
010	2	Housekeeping - Fringe Benefits	0							
010	3	Housekeeping - Agency Staff	0							
010	4	Housekeeping - Other - Nonlabor	0							
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	0							
040	4	Property Taxes	(8,873)					(8,873)		
045	4	Property Insurance	0							
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	0							
065	1	Dietary - Salaries and Wages	0							
065	2	Dietary - Fringe Benefits	0							
065	3	Dietary - Agency Staff	0							
065	4	Dietary - Other - Nonlabor	0							
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	8,880	6,613		2,267				
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:
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Provider NPI:
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Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff	0								
174	4	Caregiver Training - Other - Nonlabor	0								
200		Total	<u>(\$8,873)</u> (To Sch 8)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(8,873)</u>	<u>0</u>	<u>0</u>	<u>0</u>

Provider Name							Fiscal Period			Provider NPI		Adjustments
ENCINITAS NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1265415749		8
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 Reported			8	210		Total Facility Group Health Insurance To include Group Health Insurance in the audit for informational purposes only. 42 CFR 413.20 and 413.24/CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$285,328	\$285,328		

Provider Name							Fiscal Period	Provider NPI		Adjustments
ENCINITAS NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1265415749		8
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	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	\$30,559	\$6,613	\$37,172 *
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor To reclassify oxygen expense to the appropriate cost center. 42 CFR 413.24 / CMS Pub. 15-1, Sections 2202.8 and 2203.2 CCR, Title 22, Section 51511	169,201	(6,613)	162,588 *
3	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	\$29,362	\$9,345	\$38,707
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor To reclassify X-ray and laboratory expense that is not part of the skilled nursing rate to an ancillary cost center. 42 CFR 413.24 / CMS Pub. 15-1, Sections 2202.8 and 2203.2 CCR, Title 22, Section 51511	* 162,588	(9,345)	153,243 *
4	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	* \$37,172	\$2,267	\$39,439
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor To reclassify alternating mattress expense that is not part of the skilled nursing rate to an ancillary cost center. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51511(c) and 51511.5(c)	* 153,243	(2,267)	150,976 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
ENCINITAS NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1265415749		8
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>										
5	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$2,400,361	(\$2,997)	\$2,397,364
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	664,375	(574)	663,801
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 150,976	(573)	150,403
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	547,160	4,144	551,304
							To adjust reported home office costs to agree with the Covenant Care, LLC Home Office Cost Report for the fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 / CMS Pub. 15-1, Sections 2150.2 and 2304			
6	10.5	040	4	8A-1	040	4	Property Taxes	\$57,782	(\$8,873)	\$48,909
							To eliminate property tax 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)			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
ENCINITAS NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1265415749		8
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENT TO REPORTED PATIENT DAYS</u>										
7	4.1	5	2	1	15	N/A	Medi-Cal Days To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 01, 2011 through December 31, 2011 Payment Period: January 01, 2011 through October 15, 2012 Report Date: October 16, 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	19,956	(246)	19,710

Provider Name							Fiscal Period	Provider NPI		Adjustments
ENCINITAS NURSING AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1265415749		8
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENT TO OTHER MATTERS</u>										
8	Not Reported			1	14	N/A	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	\$43,979	\$43,979