

**REPORT
ON THE
RATE SETTING AUDIT**

**AVALON CARE CENTER - MODESTO
MODESTO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1326032327**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

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



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 16, 2013

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

AVALON CARE CENTER - MODESTO
NATIONAL PROVIDER IDENTIFIER (NPI) 1326032327
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from patient share of cost. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the accompanying Summary of Audited Facility Cost per Patient Day represents a proper determination of the allowable costs, patient days, and use of share of cost for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$3,850, which resulted from Medi-Cal overpayments
3. Audited Allocation of Home Office Cost

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

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

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

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

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

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

Original Signed by

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

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility No.:
206501354

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	\$ 1,811,486	\$ 81.72
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 466,687	\$ 21.05
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 390,576	\$ 17.62
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 141,760	\$ 6.39
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 9,919	\$ 0.45
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 13,570	\$ 0.61
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 71,513	\$ 3.23
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 19,682	\$ 0.89
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 246,676	\$ 11.13
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 391,825	\$ 17.68
11	Cost of Routine Service/Audited Total Costs	\$ 3,759,106.00	\$ 3,563,694	\$ 160.76
12	Total Patient Days (Adj 20)	22,167	22,168	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 169.58	\$ 160.76	
14	Overpayments (Adj 23-24)	\$ 0	\$ (3,850)	
15	Medi-Cal Days (Adj 21)	18,185	18,121	
16	Medi-Cal Managed Care Days (Adj 22)		7	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj)		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj)		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj)		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$	\$ 0	
SUBACUTE CARE				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility No.:
206501354

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

ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility No.:
206501354

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	\$ 36,858	\$ 36,858		
160	Activities	50,984		\$ 50,984	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
ANCILLARY SERVICES					
075	Patient Supplies	19,551	0	0	19,551
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	1,723,644	36,858	50,984	1,811,486
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		\$ 1,831,037	\$ 36,858	\$ 50,984	\$ 1,831,037

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
AVALON CARE CENTER - MODESTO

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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	\$ 36,379	\$ 36,379										
010	Housekeeping	74,600	863	\$ 75,463									
060	Laundry and Linen	48,757	844	1,794	\$ 51,395								
065	Dietary	223,057	4,513	9,589	0	\$ 237,160							
155	Social Services	N/A	135	287	0	0	\$ 422						
160	Activities	N/A	448	952	0	0	0	\$ 1,401					
165	Administration	N/A	1,704	3,620	0	0	0	0		\$ 5,324	\$ 5,324		
166	Medical Records	38,141	292	620	0	0	0	0		39,052		\$ 39,052	
170	Inservice Education - Nursing	69,310	0	0	0	0	0	0	\$ 69,310				
ANCILLARY SERVICES													
075	Patient Supplies		1,584	3,366	0	0	0	0	0	4,950	96	701	\$ 5,747
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	71	518	589
080	Physical Therapy		353	750	1,321	0	0	0	0	2,424	257	1,886	4,567
081	Respiratory Therapy		0	0	0	0	0	0	0	0	7	49	55
082	Occupational Therapy		1,234	2,622	0	0	0	0	0	3,857	205	1,503	5,564
083	Speech Pathology		175	372	0	0	0	0	0	547	50	364	961
085	Pharmacy		0	0	0	0	0	0	0	0	179	1,315	1,495
090	Laboratory		0	0	0	0	0	0	0	0	22	163	185
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	9	69	78
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		23,202	49,297	49,195	237,160	422	1,401	69,310	429,987	4,403	32,297	466,687 *
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		1,032	2,192	879	0	0	0	0	4,103	25	187	4,315
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 490,244	\$ 36,379	\$ 75,463	\$ 51,395	\$ 237,160	\$ 422	\$ 1,401	\$ 69,310	\$ 445,867	\$ 5,324	\$ 39,052	\$ 490,244

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
AVALON CARE CENTER - MODESTO

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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	\$ 151,810	\$ 151,810										
010	Housekeeping	8,371	3,600	\$ 11,971									
060	Laundry and Linen	9,545	3,523	285	\$ 13,353								
065	Dietary	161,836	18,834	1,521	0	\$ 182,191							
155	Social Services	2,815	564	46	0	0	\$ 3,424						
160	Activities	13,043	1,871	151	0	0	0	\$ 15,065					
165	Administration	N/A	7,111	574	0	0	0	0		\$ 7,685	\$ 7,685		
166	Medical Records	2,000	1,217	98	0	0	0	0		3,315		\$ 3,315	
170	Inservice Education - Nursing	450	0	0	0	0	0	0	\$ 450				
ANCILLARY SERVICES													
075	Patient Supplies	20,566	6,611	534	0	0	0	0	0	27,711	138	59	\$ 27,908
077	Specialized Support Surfaces	44,407	0	0	0	0	0	0	0	44,407	102	44	44,553
080	Physical Therapy	155,333	1,473	119	343	0	0	0	0	157,269	371	160	157,800
081	Respiratory Therapy	4,175	0	0	0	0	0	0	0	4,175	10	4	4,189
082	Occupational Therapy	113,226	5,150	416	0	0	0	0	0	118,792	296	128	119,216
083	Speech Pathology	29,006	730	59	0	0	0	0	0	29,795	72	31	29,898
085	Pharmacy	112,681	0	0	0	0	0	0	0	112,681	259	112	113,052
090	Laboratory	13,962	0	0	0	0	0	0	0	13,962	32	14	14,008
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	5,901	0	0	0	0	0	0	0	5,901	14	6	5,920
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	62,926	96,821	7,820	12,781	182,191	3,424	15,065	450	381,478	6,356	2,742	390,576 *
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	1,860	4,305	348	228	0	0	0	0	6,741	37	16	6,794
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 913,913	\$ 151,810	\$ 11,971	\$ 13,353	\$ 182,191	\$ 3,424	\$ 15,065	\$ 450	\$ 902,913	\$ 7,685	\$ 3,315	\$ 913,913

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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)	\$ 163,697	93%							
	Property Tax (line 40)	11,454	7%	\$ 175,151						
005	Plant Operations and Maintenance			9,480	\$ 9,480					
010	Housekeeping			3,929	225	\$ 4,154				
060	Laundry and Linen			3,845	220	99	\$ 4,164			
065	Dietary			20,553	1,176	528	0	\$ 22,257		
155	Social Services			615	35	16	0	0	\$ 666	
160	Activities			2,041	117	52	0	0	0	\$ 2,211
165	Administration			7,760	444	199	0	0	0	0
166	Medical Records			1,328	76	34	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			7,215	413	185	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			1,608	92	41	107	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			5,621	322	144	0	0	0	0
083	Speech Pathology			797	46	20	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
ROUTINE SERVICES										
105	Skilled Nursing Care			105,661	6,046	2,713	3,986	22,257	666	2,211
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			4,698	269	121	71	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 175,151	100%	\$ 175,151	\$ 9,480	\$ 4,154	\$ 4,164	\$ 22,257	\$ 666	\$ 2,211

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 93% Of Total	Property Tax 7% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 163,697	93%							
	Property Tax (line 40)	11,454	7%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 8,403	\$ 8,403				
166	Medical Records				1,438		\$ 1,438			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	7,813	151	26	\$ 7,989	\$ 7,467	\$ 522
077	Specialized Support Surfaces			0	0	112	19	131	122	9
080	Physical Therapy			0	1,848	406	69	2,323	2,172	152
081	Respiratory Therapy			0	0	10	2	12	11	1
082	Occupational Therapy			0	6,087	323	55	6,465	6,043	423
083	Speech Pathology			0	863	78	13	955	892	62
085	Pharmacy			0	0	283	48	332	310	22
090	Laboratory			0	0	35	6	41	38	3
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	15	3	17	16	1
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105	Skilled Nursing Care			0	143,540	6,950	1,190	151,679	141,760	9,919
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	5,159	40	7	5,206	4,865	340
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 175,151	100%	\$ -	\$ 165,309	\$ 8,403	\$ 1,438	\$ 175,151	\$ 163,697	\$ 11,454

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
AVALON CARE CENTER - MODESTO

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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. 53% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 10% of Total	Quality Assur. Fees 33% of Total	Caregiver Training 3% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 5,244												
055	Interest - Other	423												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	468,111												
	Total Costs Allocable as Administration	473,778	53%											
167	CDPH Licensing Fees	16,408	2%											
168	Professional Liability Insurance	86,470	10%											
169	Quality Assurance Fees	298,270	33%											
174	Caregiver Training	23,799	3%											
	Total	898,725	100%						\$ 898,725					
ANCILLARY SERVICES														
075	Patient Supplies			\$ 19,551	\$ 4,950	\$ 27,711	\$ 7,813	\$ 60,025	16,127	\$ 8,501	\$ 294	\$ 1,552	\$ 5,352	\$ 427
077	Specialized Support Surfaces			0	0	44,407	0	44,407	11,931	6,289	218	1,148	3,960	316
080	Physical Therapy			0	2,424	157,269	1,848	161,541	43,401	22,879	792	4,176	14,404	1,149
081	Respiratory Therapy			0	0	4,175	0	4,175	1,122	591	20	108	372	30
082	Occupational Therapy			0	3,857	118,792	6,087	128,736	34,587	18,233	631	3,328	11,479	916
083	Speech Pathology			0	547	29,795	863	31,205	8,384	4,420	153	807	2,782	222
085	Pharmacy			0	0	112,681	0	112,681	30,274	15,959	553	2,913	10,047	802
090	Laboratory			0	0	13,962	0	13,962	3,751	1,977	68	361	1,245	99
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	5,901	0	5,901	1,585	836	29	153	526	42
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			1,811,486	429,987	381,478	143,540	2,766,491	743,265	391,825	13,570	71,513	246,676	19,682
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	4,103	6,741	5,159	16,002	4,299	2,266	78	414	1,427	114
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 898,725		\$ 1,831,037	\$ 445,867	\$ 902,913	\$ 165,309	\$ 3,345,126	\$ 898,725					
	Total Administrative Costs							\$ 898,725		\$ 473,778	\$ 16,408	\$ 86,470	\$ 298,270	\$ 23,799
	Unit Cost Multiplier							0.26866701						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 44,377	\$ 11,000	\$ 9,842	\$ 65,219							
	TOTAL FACILITY COSTS							\$ 4,309,070						

*(To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
AVALON CARE CENTER - MODESTO

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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 19)	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	678									
010	Housekeeping	281	281								
060	Laundry and Linen	275	275	275							
065	Dietary	1,470	1,470	1,470							
155	Social Services	44	44	44							
160	Activities	146	146	146							
165	Administration	555	555	555							
166	Medical Records	95	95	95							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	516	516	516						60,025	60,025
077	Specialized Support Surfaces									44,407	44,407
080	Physical Therapy	115	115	115	5,610					161,541	161,541
081	Respiratory Therapy									4,175	4,175
082	Occupational Therapy	402	402	402						128,736	128,736
083	Speech Pathology	57	57	57						31,205	31,205
085	Pharmacy									112,681	112,681
090	Laboratory									13,962	13,962
095	Home Health Services									0	0
100	Other Ancillary Services									5,901	5,901
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	7,557	7,557	7,557	208,963	66,501	1,786,570	1,786,570	1,786,570	2,766,491	2,766,491
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	336	336	336	3,734					16,002	16,002
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	12,527	11,849	11,568	218,307	66,501	1,786,570	1,786,570	1,786,570	3,345,126	3,345,126
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 36,858	\$ 50,984			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.020630594	0.028537365			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 36,379	\$ 75,463	\$ 51,395	\$ 237,160	\$ 422	\$ 1,401	\$ 69,310	\$ 5,324	\$ 39,052
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		3.07021690	6.52340344	0.23542647	3.56625648	0.00023627	0.00078400	0.03879501	0.00159171	0.01167442
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 151,810	\$ 11,971	\$ 13,353	\$ 182,191	\$ 3,424	\$ 15,065	\$ 450	\$ 7,685	\$ 3,315
	UNIT COST MULTIPLIER (INDIRECT OTHER)		12.81205165	1.03485361	0.06116569	2.73967235	0.00191667	0.00843216	0.00025188	0.00229738	0.00099113
	TOTAL CAPITAL COSTS - SCH. 5	\$ 175,151	\$ 9,480	\$ 4,154	\$ 4,164	\$ 22,257	\$ 666	\$ 2,211	\$ -	\$ 8,403	\$ 1,438
	UNIT COST MULTIPLIER (CAPITAL COSTS)	13.98187914	0.80004338	0.35906987	0.01907302	0.33469059	0.00037290	0.00123734	0.00000000	0.00251209	0.00043000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:

AVALON CARE CENTER - MODESTO

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:

1326032327

OSHPD Facility Number:

206501354

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	\$ 29,605	\$ (39)	\$ 29,566	(Sch 3)
005	.20-.39	Fringe Benefits	6200	8,328	(1,515)	6,813	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	153,215	(1,405)	151,810	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 191,148	\$ (2,959)	\$ 188,189	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 0	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300	0	0	0	(Sch 3)
010	.79	Agency Staff	6300	74,600	0	74,600	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	7,820	551	8,371	(Sch 4)
010		Housekeeping - Total	6300	\$ 82,420	\$ 551	\$ 82,971	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 2,050	\$ 0	\$ 2,050	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	7,654	0	7,654	(Sch 5)
025		Depreciation: Equipment	7140	10,896	0	10,896	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	70	0	70	(Sch 5)
035		Leases and Rentals	7200	139,365	3,662	143,027	(Sch 5)
040		Property Taxes	7300	11,454	0	11,454	(Sch 5)
045		Property Insurance	7400	5,244	0	5,244	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	0	0	0	(Sch 6)
055		Interest - Other	7600	\$ 13,164	\$ (12,741)	\$ 423	(Sch 6)
057		Subtotal 005 - 055		\$ 463,465	\$ (11,487)	\$ 451,978	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 0	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400	0	0	0	(Sch 3)
060	.79	Agency Staff	6400	48,757	0	48,757	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	9,545	0	9,545	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 58,302	\$ 0	\$ 58,302	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 175,973	\$ (2,793)	\$ 173,180	(Sch 3)
065	.20-.39	Fringe Benefits	6500	54,718	(4,841)	49,877	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	161,836	0	161,836	(Sch 4)
065		Dietary - Total	6500	\$ 392,527	\$ (7,634)	\$ 384,893	
070		Provision for Bad Debts	7700	\$ 0	0	\$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 15,621	\$ 0	\$ 15,621	(Sch 2)
075	.20-.39	Fringe Benefits	8100	4,126	(196)	3,930	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	20,566	0	20,566	(Sch 4)
075		Patient Supplies - Total	8100	\$ 40,313	\$ (196)	\$ 40,117	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	44,407	0	44,407	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 44,407	\$ 0	\$ 44,407	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$ 0	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	155,333	0	155,333	(Sch 4)
080		Physical Therapy - Total	8200	\$ 155,333	\$ 0	\$ 155,333	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	4,175	0	4,175	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 4,175	\$ 0	\$ 4,175	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 0	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	113,226	0	113,226	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 113,226	\$ 0	\$ 113,226	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	29,006	0	29,006	(Sch 4)
083		Speech Pathology - Total	8280	\$ 29,006	\$ 0	\$ 29,006	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300	0	0	0	(Sch 2)
085	.79	Agency Staff	8300	0	0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	112,681	0	112,681	(Sch 4)
085		Pharmacy - Total	8300	\$ 112,681	\$ 0	\$ 112,681	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	13,962	0	13,962	(Sch 4)
090		Laboratory - Total	8400	\$ 13,962	\$ 0	\$ 13,962	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	5,901	0	5,901	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 5,901	\$ 0	\$ 5,901	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 519,004	\$ (196)	\$ 518,808	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,372,819	\$ (3,156)	\$ 1,369,663	(Sch 2)
105	.20-.39	Fringe Benefits	6110	470,325	(116,344)	353,981	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	66,719	(3,793)	62,926	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,909,863	\$ (123,293)	\$ 1,786,570	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	0	0	
110		Intermediate Care - Total	6120	\$ 0	\$ 0	\$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	\$ 0	\$ 0	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	0	0	
115		Mentally Disordered Care - Total	6130	\$ 0	\$ 0	\$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	\$ 0	\$ 0	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	0	0	
120		Developmentally Disabled Care - Total	6140	\$ 0	\$ 0	\$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	\$ 0	\$ 0	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	0	0	(Sch 4)
125		Subacute Care - Total	6150	\$ 0	\$ 0	\$ 0	
126		Subacute Care - Pediatric					
126	.01-.19	Salaries and Wages	6160	\$ 0	\$ 0	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$ 0	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170	0	0	0
128	.49	Agency Staff	6170	0	0	0
128	.40-.99	Other - Nonlabor	6170	0	0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$ 0	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180	0	0	0
130	.49	Agency Staff	6180	0	0	0
130	.40-.99	Other - Nonlabor	6180	0	0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$ 0	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190	0	0	0
135	.49	Agency Staff	6190	0	0	0
135	.40-.99	Other - Nonlabor	6190	0	0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		Other Nonreimbursable				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
139	.49	Agency Staff	9100	0	0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900	0	0	0 (Sch 2)
140	.49	Agency Staff	8900	0	0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	1,860	0	1,860 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 1,860	\$ 0	\$ 1,860
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
145	.49	Agency Staff	9100	0	0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		Subtotal 105 - 145		\$ 1,911,723	\$ (123,293)	\$ 1,788,430
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 29,031	\$ 0	\$ 29,031 (Sch 2)
155	.20-.39	Fringe Benefits	6600	10,765	(2,938)	7,827 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	2,815	0	2,815 (Sch 4)
155		Social Services - Total	6600	\$ 42,611	\$ (2,938)	\$ 39,673

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
AVALON CARE CENTER - MODESTO

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

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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	\$ 39,625	\$ 0	\$ 39,625	(Sch 2)
160	.20-.39	Fringe Benefits	6700	15,416	(4,057)	11,359	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	13,043	0	13,043	(Sch 4)
160		Activities - Total	6700	\$ 68,084	\$ (4,057)	\$ 64,027	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 143,230	\$ 0	\$ 143,230	(Sch 6)
165	.20-.39	Fringe Benefits	6900	56,830	(18,259)	38,571	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	328,506	(42,196)	286,310	(Sch 6)
165		Administration - Total	6900	\$ 528,566	\$ (60,455)	\$ 468,111	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 29,518	\$ 0	\$ 29,518	(Sch 3)
166	.20-.39	Fringe Benefits	6900	12,300	(3,677)	8,623	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	2,000	0	2,000	(Sch 4)
166		Medical Records - Total	6900	\$ 43,818	\$ (3,677)	\$ 40,141	
167		CDPH Licensing Fees	6900	\$ 16,408	\$ 0	\$ 16,408	(Sch 6)
168		Professional Liability Insurance	6900	\$ 80,927	\$ 5,543	\$ 86,470	(Sch 6)
169		Quality Assurance Fees	6900	\$ 298,270	\$ 0	\$ 298,270	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 52,278	\$ 0	\$ 52,278	(Sch 3)
170	.20-.39	Fringe Benefits	6800	17,032	0	17,032	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	450	0	450	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 69,760	\$ 0	\$ 69,760	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	28,015	(4,216)	23,799	(Sch 6)
174		Caregiver Training - Total	6900	\$ 28,015	\$ (4,216)	\$ 23,799	
		Subtotal 155 - 174		\$ 1,176,459	\$ (69,800)	\$ 1,106,659	
200		Total		\$ 4,521,480	\$ (212,410)	\$ 4,309,070	

210	0.24	Total Facility Group Health Insurance * (Adj. 1)	6900			\$ 18,079	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
AVALON CARE CENTER - MODESTO

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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 5-6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9-14	AUDIT ADJ 15
174	3	Caregiver Training - Agency Staff	0								
174	4	Caregiver Training - Other - Nonlabor	(4,216)						(4,216)		
200		Total	<u>(\$212,410)</u> (To Sch 8)	<u>0</u>	<u>0</u>	<u>(80,927)</u>	<u>(985)</u>	<u>(12,741)</u>	<u>52,002</u>	<u>(17,932)</u>	<u>(138,803)</u>

Provider Name:
AVALON CARE CENTER - MODESTO

Provider NPI:
1326032327

OSHPD Facility Number:
206501354

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

Line No.	Sub No.		AUDIT ADJ 16	AUDIT ADJ 17	AUDIT ADJ 18	AUDIT ADJ				
174	3	Caregiver Training - Agency Staff								
174	4	Caregiver Training - Other - Nonlabor								
200		Total	114,222	(145,324)	18,078	0	0	0	0	0

Provider Name							Fiscal Period			Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1326032327		24
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	N/A			8	210	N/A	Total Facility Group Health Insurance Costs To include Group Health Insurance in the audit report for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$18,079	\$18,079

Provider Name							Fiscal Period	Provider NPI	Adjustments	
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1326032327	24	
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	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	\$153,215	(\$1,405)	\$151,810
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	66,719	(2,257)	64,462 *
	10.5	035	4	8A-1	035	4	Leases and Rentals	139,365	3,662	143,027
To reclassify equipment rental expenses for proper cost determination 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 52000(e) and 52501 SPA Supplement 4 to attachment 4.19D, V OSHPD - LTC Manual, Chapter 3000, Section 3220.3										
3	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* \$64,462	(\$551)	\$63,911 *
	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor	7,820	551	8,371
To reclassify minor equipment expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8										

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1326032327		24
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
ADJUSTMENTS TO REPORTED COSTS										
4	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To eliminate liability insurance expense from the facility cost report for inclusion with audited home office costs. 42 CFR 413.17, 413.20 and 413.24 CMS Pub. 15-1, Sections 2150.2, 2162.5, 2162.7, 2300 and 2304	\$80,927	(\$80,927)	\$0 *
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	*	\$63,911	
5							To eliminate minor equipment expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(\$603)	
6							To eliminate pharmacy consulting services fees due to insufficient documentation and to agree with the pharmacy consultant invoice. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		<u>(382)</u> (\$985)	\$62,926
7	10.5	055	4	8A-1	055	4	Interest - Other To adjust interest expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$13,164	(\$12,741)	\$423
8	10.5	005	1	8A-1	005	1	Plant Operations and Maintenance - Salaries and Wages	\$29,605	(\$39)	\$29,566
	10.5	065	1	8A-1	065	1	Dietary - Salaries and Wages	175,973	(2,793)	173,180
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	1,372,819	(3,156)	1,369,663
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	328,506	(24,264)	304,242 *
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance	*	0	86,470
	10.5	174	4	8A-1	174	4	Caregiver Training - Other - Nonlabor To adjust home office costs to agree with the Avalon Health Care Management, Inc. Home Office Audit Report for fiscal period ended December 31, 2011. 42 CFR 413.17 CMS Pub. 15-1, Sections 2150.2 and 2304	28,015	(4,216)	23,799

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1326032327		24
Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO REPORTED COSTS</u>											
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$304,242		
9							To eliminate accounting fees in connection with a fair hearing or other litigation against California Department of Health Care Services and due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W & I Code 14126.023(a)(3)(B) and 14126.023(a)(3)(C)			(\$1,423)	
10							To eliminate bank charge fees due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(7,433)	
11							To eliminate telephone expense for patient phone lines not included in the routine rate. CMS Pub. 15-1, Section 2304 CCR, Title 22, 51511(c)			(3,667)	
12							To eliminate purchased services expense due to insufficient documentation and not related to the facility. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W & I Code 14124.2(b)			(1,946)	
13							To eliminate marketing expense that is not allowable and not included in the daily rate. 42 CFR 413.5, 413.9 and 413.24 CMS Pub. 15-1, Sections 2136.2, 2304 and 2328			(2,855)	
14							To eliminate legal fees due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)			(608) (\$17,932)	\$286,310
*Balance carried forward from prior/to subsequent adjustments											

Provider Name							Fiscal Period	Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1326032327		24
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENTS TO REPORTED COSTS</u>										
15	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$8,328	(\$2,009)	\$6,319 *
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	54,718	(12,096)	42,622 *
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	4,126	(1,104)	3,022 *
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	470,325	(105,706)	364,619 *
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	10,765	(2,197)	8,568 *
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	15,416	(3,015)	12,401 *
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	56,830	(10,414)	46,416 *
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	12,300	(2,262)	10,038 *
							To eliminate worker's compensation insurance expense from the facility cost report for inclusion with audited home office costs in conjunction with adjustment 16 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
16	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	* \$6,319	\$1,653	\$7,972 *
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	* 42,622	9,954	52,576 *
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	* 3,022	908	3,930
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 364,619	86,987	451,606 *
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	* 8,568	1,808	10,376 *
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	* 12,401	2,481	14,882 *
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 46,416	8,570	54,986 *
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	* 10,038	1,861	11,899 *
							To include audited worker's compensation insurance paid claims and premium payments expense from the home office allocation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

Provider Name							Fiscal Period	Provider NPI		Adjustments	
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1326032327		24	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO REPORTED COSTS</u>											
17	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	*	\$7,972	(\$1,324)	\$6,648 *
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	*	52,576	(3,082)	49,494 *
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	451,606	(111,496)	340,110 *
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	*	10,376	(2,911)	7,465 *
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	*	14,882	(4,023)	10,859 *
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	54,986	(18,747)	36,239 *
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	*	11,899	(3,741)	8,158 *
							To eliminate health insurance expense from the facility cost report for inclusion with audited home office costs in conjunction with adjustment 18. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2162.5, 2162.7, 2300 and 2304				
18	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	*	\$6,648	\$165	\$6,813
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	*	49,494	383	49,877
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	340,110	13,871	353,981
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	*	7,465	362	7,827
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	*	10,859	500	11,359
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	36,239	2,332	38,571
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	*	8,158	465	8,623
							To include audited health insurance paid claims and premium payments expense from the home office allocation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period		Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1326032327		24
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<u>ADJUSTMENT TO REPORTED STATISTICS</u>											
19	10.7	080	4	7	080	N/A	Physical Therapy (Pounds of Laundry)	0	5,610	5,610	
	10.7	105	4	7	105	N/A	Skilled Nursing Care	218,307	(9,344)	208,963	
	10.7	140	4	7	140	N/A	Beauty and Barber	0	3,734	3,734	
							To adjust laundry pounds statistics to agree with prior year audit and due to insufficient documentation. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304, 2306 and 2328				

Provider Name							Fiscal Period		Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1326032327		24
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
ADJUSTMENTS TO REPORTED PATIENT DAYS											
20	4.1	5	6	1	12	N/A	Total Patient Days To adjust total patient days to agree with the provider's patient census reports. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300 and 2304	22,167	1	22,168	
21	4.1	5	2	1	15	N/A	Medi-Cal Days To adjust reported Medi-Cal Nursing facility days based on the following Fiscal Intermediary Payment Date: Report Date: 08/15/12 Payment Period: 01/01/2011 through 07/31/2012 Service Period: 01/01/2011 through 12/31/2011 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.54 and 433.139 CMS Pub. 15-1, Sections 2304, 2404 and 2408 CCR, Title 22, Section 51541	18,185	(64)	18,121	
22	Not Reported			1	16	N/A	Medi-Cal Managed Care days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	7	7	

Provider Name							Fiscal Period		Provider NPI		Adjustments
AVALON CARE CENTER - MODESTO							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1326032327		24
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO OTHER MATTERS</u>											
	N/A			1	14	N/A	Medi-Cal Overpayments	\$0			
23							To recover Medi-Cal overpayments due to lack of and insufficient documentation. 42 CFR 413.20, 413.24 and 431.107 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51476 W&I Code 14124.2(b)		\$3,758		
24							To recover Medi-Cal share of cost overpayments not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1		<u>92</u> \$3,850	\$3,850	