

**REPORT  
ON THE  
RATE SETTING AUDIT**

**CANYONWOOD NURSING CENTER  
REDDING, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1841214442**

**FISCAL PERIOD ENDED  
JUNE 30, 2011**

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

**Section Chief: Michael Harrold  
Auditor: Jaskaranjit Bal**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

May 23, 2013

Donna Dornbrook  
Corporate Director of Reimbursement  
Kindred Healthcare, Inc.  
680 South Fourth Street  
Louisville, Kentucky 40202

CANYONWOOD NURSING CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1841214442  
FISCAL PERIOD ENDED JUNE 30, 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 was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data reports, prior fiscal period's Medi-Cal program audit report, and Medicare audit report for the current fiscal period, if applicable and available.

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 \$28,873, which resulted from Medi-Cal overpayments
3. Allocation of Home Office Costs

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.

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 Medi-Cal Benefits, Waiver Analysis and Rates 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.

Donna Dornbrook  
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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:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility No.:  
206454003

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 3,648,818	\$ 93.34
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 783,599	\$ 20.04
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 728,012	\$ 18.62
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 1,174,172	\$ 30.04
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 53,956	\$ 1.38
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 24,921	\$ 0.64
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 129,075	\$ 3.30
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 394,727	\$ 10.10
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 924,749	\$ 23.66
11	Cost of Routine Service/Audited Total Costs	\$ 7,846,169.00	\$ 7,862,029	\$ 201.12
12	Total Patient Days (Adj )	39,092	39,092	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 200.71	\$ 201.12	
14	Overpayments (Adj 10 - 14 )	\$ 0	\$ (28,873)	
15	Medi-Cal Days (Adj 8 - 9)	27,255	27,472	
16	Medi-Cal Managed Care Days (Adj )		0	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj )		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$	\$ 0	
<b>MENTALLY DISORDERED CARE</b>				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj )		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj )	\$	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj )		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj )	\$	\$ 0	
<b>SUBACUTE CARE</b>				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

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

**Provider Name:**  
CANYONWOOD NURSING CENTER

**Fiscal Period:**  
JULY 1, 2010 THROUGH JUNE 30, 2011

**Provider NPI:**  
1841214442

**OSHPD Facility No.:**  
206454003

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

**ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR**

**Provider Name:**  
CANYONWOOD NURSING CENTER

**Fiscal Period:**  
JULY 1, 2010 THROUGH JUNE 30, 2011

**Provider NPI:**  
1841214442

**OSHPD Facility No.:**  
206454003

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
	<b>GENERAL SERVICES</b>				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 94,726	\$ 94,726		
160	Activities	109,659		\$ 109,659	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	<b>ANCILLARY SERVICES</b>				
075	Patient Supplies	2,082	0	0	2,082
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	96,296	0	0	96,296
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	<b>ROUTINE SERVICES</b>				
105	Skilled Nursing Care	3,444,433	94,726	109,659	3,648,818 *
110	Intermediate Care	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0 *
125	Subacute Care	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0 *
128	Transitional Inpatient Care	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0 *
135	Other Routine Services	0	0	0	0 *
	<b>NONREIMBURSABLE</b>				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 3,747,196</b>	<b>\$ 94,726</b>	<b>\$ 109,659</b>	<b>\$ 3,747,196</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
CANYONWOOD NURSING CENTER

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 75,685	\$ 75,685										
010	Housekeeping	155,328	2,229	\$ 157,557									
060	Laundry and Linen	99,984	998	2,140	\$ 103,122								
065	Dietary	343,837	8,877	19,040	0	\$ 371,754							
155	Social Services	N/A	396	850	0	0	\$ 1,247						
160	Activities	N/A	4,028	8,639	0	0	0	\$ 12,666					
165	Administration	N/A	5,910	12,676	0	0	0	0		\$ 18,586	\$ 18,586		
166	Medical Records	59,533	354	760	0	0	0	0		60,648		\$ 60,648	
170	Inservice Education - Nursing	85,991	368	788	0	0	0	0	\$ 87,147				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		496	1,064	0	0	0	0	0	1,561	91	296	\$ 1,948
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	3	9	12
080	Physical Therapy		3,284	7,045	0	0	0	0	0	10,329	1,531	4,997	16,858
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		1,531	3,283	0	0	0	0	0	4,814	945	3,082	8,840
083	Speech Pathology		375	805	0	0	0	0	0	1,181	251	818	2,249
085	Pharmacy		0	0	0	0	0	0	0	0	884	2,886	3,770
090	Laboratory		0	0	0	0	0	0	0	0	76	249	326
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	225	735	960
101	Subacute Care Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care		46,340	99,395	103,122	371,754	1,247	12,666	87,147	721,671	14,527	47,401	783,599 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
<b>NONREIMBURSABLE</b>													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		499	1,070	0	0	0	0	0	1,569	54	175	1,797
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 820,358</b>	<b>\$ 75,685</b>	<b>\$ 157,557</b>	<b>\$ 103,122</b>	<b>\$ 371,754</b>	<b>\$ 1,247</b>	<b>\$ 12,666</b>	<b>\$ 87,147</b>	<b>\$ 741,124</b>	<b>\$ 18,586</b>	<b>\$ 60,648</b>	<b>\$ 820,358</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
CANYONWOOD NURSING CENTER

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 290,993	\$ 290,993										
010	Housekeeping	21,296	8,570	\$ 29,866									
060	Laundry and Linen	20,542	3,836	406	\$ 24,784								
065	Dietary	271,669	34,129	3,609	0	\$ 309,408							
155	Social Services	342	1,524	161	0	0	\$ 2,027						
160	Activities	6,916	15,485	1,638	0	0	0	\$ 24,038					
165	Administration	N/A	22,723	2,403	0	0	0	0		\$ 25,126	\$ 25,126		
166	Medical Records	3,275	1,363	144	0	0	0	0		4,782		\$ 4,782	
170	Inservice Education - Nursing	1,804	1,413	149	0	0	0	0	\$ 3,367				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	23,835	1,908	202	0	0	0	0	0	25,945	123	23	\$ 26,091
077	Specialized Support Surfaces	1,155	0	0	0	0	0	0	0	1,155	4	1	1,159
080	Physical Therapy	569,368	12,628	1,335	0	0	0	0	0	583,332	2,070	394	585,796
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	364,054	5,885	622	0	0	0	0	0	370,561	1,277	243	372,081
083	Speech Pathology	97,369	1,444	153	0	0	0	0	0	98,965	339	64	99,368
085	Pharmacy	378,178	0	0	0	0	0	0	0	378,178	1,196	228	379,601
090	Laboratory	32,686	0	0	0	0	0	0	0	32,686	103	20	32,809
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	0	0	0	0	0	0	0	0	0	304	58	362
101	Subacute Care Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care	144,005	178,167	18,841	24,784	309,408	2,027	24,038	3,367	704,637	19,638	3,737	728,012
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	9,932	1,918	203	0	0	0	0	0	12,053	72	14	12,139
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 2,237,419</b>	<b>\$ 290,993</b>	<b>\$ 29,866</b>	<b>\$ 24,784</b>	<b>\$ 309,408</b>	<b>\$ 2,027</b>	<b>\$ 24,038</b>	<b>\$ 3,367</b>	<b>\$ 2,207,512</b>	<b>\$ 25,126</b>	<b>\$ 4,782</b>	<b>\$ 2,237,419</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 1,308,760	96%							
	Property Tax (line 40)	60,141	4%	\$ 1,368,901						
005	Plant Operations and Maintenance			78,472	\$ 78,472					
010	Housekeeping			38,005	2,311	\$ 40,316				
060	Laundry and Linen			17,011	1,034	548	\$ 18,593			
065	Dietary			151,349	9,204	4,872	0	\$ 165,425		
155	Social Services			6,759	411	218	0	0	\$ 7,388	
160	Activities			68,669	4,176	2,210	0	0	0	\$ 75,055
165	Administration			100,765	6,128	3,244	0	0	0	0
166	Medical Records			6,043	367	195	0	0	0	0
170	Inservice Education - Nursing			6,267	381	202	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			8,461	514	272	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			56,000	3,405	1,803	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			26,098	1,587	840	0	0	0	0
083	Speech Pathology			6,401	389	206	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
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			790,095	48,046	25,434	18,593	165,425	7,388	75,055
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			8,505	517	274	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,368,901</b>	<b>100%</b>	<b>\$ 1,368,901</b>	<b>\$ 78,472</b>	<b>\$ 40,316</b>	<b>\$ 18,593</b>	<b>\$ 165,425</b>	<b>\$ 7,388</b>	<b>\$ 75,055</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

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 96% Of Total	Property Tax 4% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 1,308,760	96%							
	Property Tax (line 40)	60,141	4%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 110,136	\$ 110,136				
166	Medical Records				6,605		\$ 6,605			
170	Inservice Education - Nursing			\$ 6,850						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	9,247	538	32	\$ 9,818	\$ 9,386	\$ 431
077	Specialized Support Surfaces			0	0	16	1	17	16	1
080	Physical Therapy			0	61,209	9,075	544	70,827	67,716	3,112
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	28,525	5,597	336	34,457	32,944	1,514
083	Speech Pathology			0	6,997	1,485	89	8,570	8,194	377
085	Pharmacy			0	0	5,240	314	5,555	5,311	244
090	Laboratory			0	0	453	27	480	459	21
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	1,334	80	1,414	1,352	62
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	<b>ROUTINE SERVICES</b>									
105	Skilled Nursing Care			6,850	1,136,886	86,081	5,163	1,228,129	1,174,172	53,956
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	<b>NONREIMBURSABLE</b>									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	9,296	318	19	9,633	9,210	423
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 1,368,901	100%	\$ 6,850	\$ 1,252,159	\$ 110,136	\$ 6,605	\$ 1,368,901	\$ 1,308,760	\$ 60,141

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
CANYONWOOD NURSING CENTER

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 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. 63% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 9% of Total	Quality Assur. Fees 27% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 14,608												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,168,567												
	Total Costs Allocable as Administration	1,183,175	63%											
167	CDPH Licensing Fees	31,885	2%											
168	Professional Liability Insurance	165,146	9%											
169	Quality Assurance Fees	505,035	27%											
174	Caregiver Training	0	0%											
	Total	1,885,241	100%						\$ 1,885,241					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ 2,082	\$ 1,561	\$ 25,945	\$ 9,247	\$ 38,835	9,211	\$ 5,781	\$ 156	\$ 807	\$ 2,468	\$ -
077	Specialized Support Surfaces			0	0	1,155	0	1,155	274	172	5	24	73	0
080	Physical Therapy			0	10,329	583,332	61,209	654,870	155,333	97,487	2,627	13,607	41,612	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	4,814	370,561	28,525	403,900	95,804	60,126	1,620	8,392	25,665	0
083	Speech Pathology			0	1,181	98,965	6,997	107,143	25,414	15,950	430	2,226	6,808	0
085	Pharmacy			0	0	378,178	0	378,178	89,703	56,297	1,517	7,858	24,030	0
090	Laboratory			0	0	32,686	0	32,686	7,753	4,866	131	679	2,077	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			96,296	0	0	0	96,296	22,841	14,335	386	2,001	6,119	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>														
105	Skilled Nursing Care			3,648,818	721,671	704,637	1,136,886	6,212,011	1,473,472	924,749	24,921	129,075	394,727	0*
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0*
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0*
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0*
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0*
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0*
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0*
<b>NONREIMBURSABLE</b>														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,569	12,053	9,296	22,918	5,436	3,412	92	476	1,456	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,885,241		\$ 3,747,196	\$ 741,124	\$ 2,207,512	\$ 1,252,159	\$ 7,947,991	\$ 1,885,241					
	Total Administrative Costs							\$ 1,885,241		\$ 1,183,175	\$ 31,885	\$ 165,146	\$ 505,035	\$ -
	Unit Cost Multiplier							0.23719718						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 79,234	\$ 29,907	\$ 116,742	\$ 225,883							
	<b>TOTAL FACILITY COSTS</b>							\$ 10,059,115						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
CANYONWOOD NURSING CENTER

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 7)	Plant Ops (SQ FT) 5 (Adj 1, 7)	Hskpng (SQ FT) 10 (Adj 1, 7)	Laundry (LBS) 60 (Adj )	Dietary (MEALS) 65 (Adj )	Soc Srvs (DIRECT EXP) 155 (Adj )	Activities (DIRECT EXP) 160 (Adj )	Inserv. Ed (DIRECT EXP) 170 (Adj )	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	1,753									
010	Housekeeping	849	849								
060	Laundry and Linen	380	380	380							
065	Dietary	3,381	3,381	3,381							
155	Social Services	151	151	151							
160	Activities	1,534	1,534	1,534							
165	Administration	2,251	2,251	2,251							
166	Medical Records	135	135	135							
170	Inservice Education - Nursing	140	140	140							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	189	189	189						38,835	38,835
077	Specialized Support Surfaces									1,155	1,155
080	Physical Therapy	1,251	1,251	1,251						654,870	654,870
081	Respiratory Therapy									0	0
082	Occupational Therapy	583	583	583						403,900	403,900
083	Speech Pathology	143	143	143						107,143	107,143
085	Pharmacy									378,178	378,178
090	Laboratory									32,686	32,686
095	Home Health Services									0	0
100	Other Ancillary Services									96,296	96,296
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	17,650	17,650	17,650	77,700	116,550	3,588,438	3,588,438	3,588,438	6,212,011	6,212,011
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	<b>NONREIMBURSABLE</b>										
139	Residential Care									0	0
140	Beauty and Barber	190	190	190						22,918	22,918
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	<b>30,580</b>	<b>28,827</b>	<b>27,978</b>	<b>77,700</b>	<b>116,550</b>	<b>3,588,438</b>	<b>3,588,438</b>	<b>3,588,438</b>	<b>7,947,991</b>	<b>7,947,991</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 94,726	\$ 109,659			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.026397558	0.030558979			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 75,685	\$ 157,557	\$ 103,122	\$ 371,754	\$ 1,247	\$ 12,666	\$ 87,147	\$ 18,586	\$ 60,648
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		2.62548999	5.63146190	1.32717686	3.18965040	0.00034745	0.00352972	0.02428549	0.00233850	0.00763057
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 290,993	\$ 29,866	\$ 24,784	\$ 309,408	\$ 2,027	\$ 24,038	\$ 3,367	\$ 25,126	\$ 4,782
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		10.09446006	1.06748862	0.31896449	2.65471942	0.00056500	0.00669886	0.00093820	0.00316125	0.00060164
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 1,368,901	\$ 78,472	\$ 40,316	\$ 18,593	\$ 165,425	\$ 7,388	\$ 75,055	\$ 6,850	\$ 110,136	\$ 6,605
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	44.76458470	2.72218118	1.44099879	0.23928637	1.41934597	0.00205886	0.02091584	0.00190888	0.01385714	0.00083106

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

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	\$ 56,672	\$ 0	\$ 56,672	(Sch 3)
005	.20-.39	Fringe Benefits	6200	19,305	(292)	19,013	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	290,993	0	290,993	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 366,970	\$ (292)	\$ 366,678	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300		0	0	(Sch 3)
010	.79	Agency Staff	6300	155,328	0	155,328	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	21,296	0	21,296	(Sch 4)
010		Housekeeping - Total	6300	\$ 176,624	\$ 0	\$ 176,624	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 309	\$ 0	\$ 309	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	39,766	0	39,766	(Sch 5)
025		Depreciation: Equipment	7140	25,029	0	25,029	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	1,243,656	0	1,243,656	(Sch 5)
040		Property Taxes	7300	62,883	(2,742)	60,141	(Sch 5)
045		Property Insurance	7400	14,608	0	14,608	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,929,845	\$ (3,034)	\$ 1,926,811	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400		0	0	(Sch 3)
060	.79	Agency Staff	6400	99,984	0	99,984	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	20,542	0	20,542	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 120,526	\$ 0	\$ 120,526	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 252,085	\$ 0	\$ 252,085	(Sch 3)
065	.20-.39	Fringe Benefits	6500	93,052	(1,300)	91,752	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	271,669	0	271,669	(Sch 4)
065		Dietary - Total	6500	\$ 616,806	\$ (1,300)	\$ 615,506	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 1,561	\$ 0	\$ 1,561	(Sch 2)
075	.20-.39	Fringe Benefits	8100	529	(8)	521	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	23,835	0	23,835	(Sch 4)
075		Patient Supplies - Total	8100	\$ 25,925	\$ (8)	\$ 25,917	
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	1,155	0	1,155	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 1,155	\$ 0	\$ 1,155	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

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	569,368	0	569,368	(Sch 4)
080		Physical Therapy - Total	8200	\$ 569,368	\$ 0	\$ 569,368	
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	364,054	0	364,054	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 364,054	\$ 0	\$ 364,054	
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	97,369	0	97,369	(Sch 4)
083		Speech Pathology - Total	8280	\$ 97,369	\$ 0	\$ 97,369	
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	378,178	0	378,178	(Sch 4)
085		Pharmacy - Total	8300	\$ 378,178	\$ 0	\$ 378,178	
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	32,686	0	32,686	(Sch 4)
090		Laboratory - Total	8400	\$ 32,686	\$ 0	\$ 32,686	
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	96,296	0	96,296	(Sch 2)
100	.40-.99	Other - Nonlabor	8900		0	0	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 96,296	\$ 0	\$ 96,296	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

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		\$ 1,565,031	\$ (8)	\$ 1,565,023	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,638,823	\$ (25,678)	\$ 2,613,145	(Sch 2)
105	.20-.39	Fringe Benefits	6110	854,411	(23,123)	831,288	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	144,005	0	144,005	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 3,637,239	\$ (48,801)	\$ 3,588,438	
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:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

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)
		<b>Other Nonreimbursable</b>					
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	9,932	0	9,932	(Sch 4)
140		Beauty and Barber - Total	8900	\$ 9,932	\$ 0	\$ 9,932	
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		<b>Subtotal 105 - 145</b>		\$ 3,647,171	\$ (48,801)	\$ 3,598,370	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	\$ 63,305	\$ 0	\$ 63,305	(Sch 2)
155	.20-.39	Fringe Benefits	6600	31,748	(327)	31,421	(Sch 2)
155	.49	Agency Staff	6600		0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	342	0	342	(Sch 4)
155		Social Services - Total	6600	\$ 95,395	\$ (327)	\$ 95,068	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
CANYONWOOD NURSING CENTER

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1841214442

OSHPD Facility Number:  
206454003

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	\$ 75,538	\$ 0	\$ 75,538	(Sch 2)
160	.20-.39	Fringe Benefits	6700	36,019	(1,898)	34,121	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	6,916	0	6,916	(Sch 4)
160		Activities - Total	6700	\$ 118,473	\$ (1,898)	\$ 116,575	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 324,512	\$ 25,678	\$ 350,190	(Sch 6)
165	.20-.39	Fringe Benefits	6900	117,631	9,121	126,752	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	647,062	44,563	691,625	(Sch 6)
165		Administration - Total	6900	\$ 1,089,205	\$ 79,362	\$ 1,168,567	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 43,436	\$ 0	\$ 43,436	(Sch 3)
166	.20-.39	Fringe Benefits	6900	16,097	0	16,097	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	3,275	0	3,275	(Sch 4)
166		Medical Records - Total	6900	\$ 62,808	\$ 0	\$ 62,808	
167		CDPH Licensing Fees	6900	\$ 31,885	\$ 0	\$ 31,885	(Sch 6)
168		Professional Liability Insurance	6900	\$ 165,146	\$ 0	\$ 165,146	(Sch 6)
169		Quality Assurance Fees	6900	\$ 505,035	\$ 0	\$ 505,035	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 61,707	\$ 0	\$ 61,707	(Sch 3)
170	.20-.39	Fringe Benefits	6800	24,602	(318)	24,284	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	1,804	0	1,804	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 88,113	\$ (318)	\$ 87,795	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 2,156,060	\$ 76,819	\$ 2,232,879	
200		<b>Total</b>		\$ 10,035,439	\$ 23,676	\$ 10,059,115	

210	0.24	Total Facility Group Health Insurance * (Adj 2)	6900			\$ 187,733	
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\* For informational purposes only, this amount is included in various cost centers above.









Provider Name							Fiscal Period		Provider NPI		Adjustments
CANYONWOOD NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1841214442		14
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b>MEMORANDUM ADJUSTMENTS</b>											
1	10.7	005	2,3	7	005	N/A	Plant Operations and Maintenance (Square Feet)	2,018	(2,018)	0	
	10.7	010	3	7	010	N/A	Housekeeping	357	(357)	0	
	10.7	175	2	7	N/A	N/A	Total Statistics - Plant Operations	30,523	(2,018)	28,505 *	
	10.7	175	3	7	N/A	N/A	Total Statistics - Housekeeping	30,523	(2,375)	28,148 *	
To correct reported statistics on schedule 10.7 columns 2 through 3 for proper cost reporting. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300 and 2304											
2	N/A			8	210	N/A	Total Facility Group Health Insurance	\$0	\$187,733	\$187,733	
To report total facility group health insurance expense for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304											

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
CANYONWOOD NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1841214442		14	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b><u>RECLASSIFICATIONS OF REPORTED COSTS</u></b>											
3	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$647,062	\$18,145	\$665,207 *	
	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	19,305	(292)	19,013	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	93,052	(1,300)	91,752	
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	529	(8)	521	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	854,411	(13,612)	840,799 *	
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	31,748	(327)	31,421	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	36,019	(1,898)	34,121	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	117,631	(390)	117,241 *	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	24,602	(318)	24,284	
							To reclassify the provider's employee benefits reclassification prior to the cost report due to the administrative nature of expenditures for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
4	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	\$324,512	\$25,678	\$350,190	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 117,241	9,511	126,752	
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	2,638,823	(25,678)	2,613,145	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 840,799	(9,511)	831,288	
							To reclassify case manager salaries and benefits related to the administrative portion for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
CANYONWOOD NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1841214442		14
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>										
5	10.5	040	4	8A-1	040	4	Property Taxes To adjust the property taxes to agree with the vendor invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$62,883	(\$2,742)	\$60,141
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust home office costs to agree with the as filed Kindred Health Care, Inc. Home Office Cost Report for fiscal periods ended December 31, 2010 and December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	* \$665,207	\$26,418	\$691,625

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
CANYONWOOD NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1841214442		14
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b>ADJUSTMENT TO REPORTED STATISTICS</b>											
7	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	2,018	(265)	1,753	
	10.7	010	1,2	7	010	N/A	Housekeeping	357	492	849	
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	740	(360)	380	
	10.7	065	1,2,3	7	065	N/A	Dietary	3,716	(335)	3,381	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	126	63	189	
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	1,422	(171)	1,251	
	10.7	082	1,2,3	7	082	N/A	Occupational Therapy	956	(373)	583	
	10.7	083	1,2,3	7	083	N/A	Speech Pathology	162	(19)	143	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	17,482	168	17,650	
	10.7	140	1,2,3	7	140	N/A	Beauty and Barber	181	9	190	
	10.7	155	1,2,3	7	155	N/A	Social Services	1,390	(1,239)	151	
	10.7	160	1,2,3	7	160	N/A	Activities	9	1,525	1,534	
	10.7	165	1,2,3	7	165	N/A	Administration	1,698	553	2,251	
	10.7	166	1,2,3	7	166	N/A	Medical Records	266	(131)	135	
	10.7	170	1,2,3	7	170	N/A	Inservice Education - Nursing	0	140	140	
	10.7	175	1	7	N/A	N/A	Total Statistics - Capital	30,523	57	30,580	
	10.7	175	2	7	N/A	N/A	Total Statistics - Plant Operations	* 28,505	322	28,827	
	10.7	175	3	7	N/A	N/A	Total Statistics - Housekeeping	* 28,148	(170)	27,978	
To adjust square footage statistics to agree with the prior year audited in order to properly allocate indirect costs. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300, 2304, and 2306											

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
CANYONWOOD NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1841214442		14
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA</b>										
	4.1	5	2	1	15	N/A	Medi-Cal Days	27,255		
8							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: 07/01/2010 through 06/30/2011 Payment Period: 07/01/2010 through 09/30/2012 Report Date: 10/16/2012 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		224	
9							To adjust Medi-Cal days for over billed days. 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		(7) 217	27,472

Provider Name							Fiscal Period			Provider NPI		Adjustments
CANYONWOOD NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011			1841214442		14
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<b>ADJUSTMENTS TO OTHER MATTERS</b>												
	N/A			1	14	N/A	Medi-Cal Overpayments		\$0			
10							To recover Medi-Cal overpayment amounts refunded to Medi-Cal that were understated. 42 CFR 433.139 / CMS Pub. 15-1, Section 2409 CCR, Title 22, Section 51458.1			\$777		
11							To recover Medi-Cal overpayments due to insufficient and/or lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W & I Code, Section 14170(B) CCR, Title 22, Sections 50761, 51458.1, and 51476			1,307		
12							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50761 and 51458.1			4,491		
13							To recover Medi-Cal overpayments because no documentation was provided for the amounts deducted for noncovered services. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50761 and 51458.1			2,620		
14							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			<u>19,678</u> \$28,873	\$28,873	