

**REPORT
ON THE
RATE SETTING AUDIT**

**EMERALD GARDENS NURSING CENTER
SACRAMENTO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1134261142**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Margaret A. Varho
Audit Supervisor: Felipe Avila
Auditor: David Ellis**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

Date: May 9, 2013

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

EMERALD GARDENS NURSING CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1134261142
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, and was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data reports, and the prior fiscal period's Medi-Cal program audit report.

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$19,498, which resulted from Medi-Cal overpayments

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

Carol Sparks
Page 2

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

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

(Original signed by Margaret Varho)

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

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility No.:
206342204

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	\$ 4,232,494	\$ 109.07
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,043,840	\$ 26.90
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 705,381	\$ 18.18
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 544,408	\$ 14.03
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 39,152	\$ 1.01
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 23,578	\$ 0.61
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 81,261	\$ 2.09
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 428,374	\$ 11.04
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 866,325	\$ 22.32
11	Cost of Routine Service/Audited Total Costs	\$ 7,929,610	\$ 7,964,812	\$ 205.25
12	Total Patient Days (Adj)	38,806	38,806	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 204.34	\$ 205.25	
14	Overpayments (Adj 7)	\$ 0	\$ (19,498)	
15	Medi-Cal Days (Adj 6)	32,401	31,073	
16	Medi-Cal Managed Care Days (Adj)		0	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
18	Total Patient Days (Adj)	0	0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$ 0	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
22	Total Patient Days (Adj)	0	0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$ 0	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
26	Total Patient Days (Adj)	0	0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$ 0	\$ 0	
SUBACUTE CARE				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility No.:
206342204

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

**ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR**

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility No.:
206342204

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
	GENERAL SERVICES				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 163,375	\$ 163,375		
160	Activities	127,669		\$ 127,669	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	ANCILLARY SERVICES				
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	ROUTINE SERVICES				
105	Skilled Nursing Care	3,941,450	163,375	127,669	4,232,494 *
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	\$ 4,232,494	\$ 163,375	\$ 127,669	\$ 4,232,494

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
EMERALD GARDENS NURSING CENTER

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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	\$ 99,428	\$ 99,428										
010	Housekeeping	259,276	3,649	\$ 262,925									
060	Laundry and Linen	147,224	1,906	5,231	\$ 154,361								
065	Dietary	407,654	9,470	25,997	0	\$ 443,122							
155	Social Services	N/A	1,263	3,468	0	0	\$ 4,732						
160	Activities	N/A	4,662	12,798	0	0	0	\$ 17,460					
165	Administration	N/A	5,315	14,589	0	0	0	0	\$ 19,904	\$ 19,904			
166	Medical Records	106,259	611	1,677	0	0	0	0	108,547		\$ 108,547		
170	Inservice Education - Nursing	88,360	2,057	5,647	0	0	0	0	\$ 96,064				
ANCILLARY SERVICES													
075	Patient Supplies		1,504	4,127	0	0	0	0	0	5,631	220	1,199	\$ 7,049
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		4,161	11,422	0	0	0	0	0	15,583	1,230	6,710	23,523
081	Respiratory Therapy		0	0	0	0	0	0	0	0	1	6	7
082	Occupational Therapy		1,676	4,600	0	0	0	0	0	6,276	1,170	6,383	13,830
083	Speech Pathology		1,926	5,288	0	0	0	0	0	7,215	294	1,604	9,113
085	Pharmacy		1,013	2,780	0	0	0	0	0	3,793	629	3,430	7,852
090	Laboratory		0	0	0	0	0	0	0	0	73	395	468
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	102	554	656
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		59,761	164,052	154,361	443,122	4,732	17,460	96,064	939,551	16,160	88,129	1,043,840 *
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		454	1,247	0	0	0	0	0	1,701	25	137	1,863
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,108,201	\$ 99,428	\$ 262,925	\$ 154,361	\$ 443,122	\$ 4,732	\$ 17,460	\$ 96,064	\$ 979,750	\$ 19,904	\$ 108,547	\$ 1,108,201

* (To Schedule 1)

**ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR**

Provider Name:
EMERALD GARDENS NURSING CENTER

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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	\$ 223,199	\$ 223,199										
010	Housekeeping	64,756	8,192	\$ 72,948									
060	Laundry and Linen	26,767	4,278	1,451	\$ 32,496								
065	Dietary	230,522	21,259	7,213	0	\$ 258,994							
155	Social Services	11,835	2,836	962	0	0	\$ 15,633						
160	Activities	8,964	10,466	3,551	0	0	0	\$ 22,980					
165	Administration	N/A	11,931	4,048	0	0	0	0		\$ 15,978	\$ 15,978		
166	Medical Records	43,241	1,371	465	0	0	0	0		45,077		\$ 45,077	
170	Inservice Education - Nursing	0	4,618	1,567	0	0	0	0	\$ 6,184				
	ANCILLARY SERVICES												
075	Patient Supplies	66,135	3,375	1,145	0	0	0	0	0	70,655	176	498	\$ 71,330
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	428,559	9,340	3,169	0	0	0	0	0	441,069	988	2,786	444,843
081	Respiratory Therapy	450	0	0	0	0	0	0	0	450	1	3	453
082	Occupational Therapy	438,978	3,762	1,276	0	0	0	0	0	444,016	940	2,651	447,607
083	Speech Pathology	89,712	4,325	1,467	0	0	0	0	0	95,504	236	666	96,406
085	Pharmacy	234,324	2,274	771	0	0	0	0	0	237,369	505	1,424	239,298
090	Laboratory	28,620	0	0	0	0	0	0	0	28,620	58	164	28,842
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	40,111	0	0	0	0	0	0	0	40,111	82	230	40,423
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	139,852	134,154	45,516	32,496	258,994	15,633	22,980	6,184	655,810	12,973	36,598	705,381 *
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	3,675	1,020	346	0	0	0	0	0	5,041	20	57	5,117
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 2,079,700	\$ 223,199	\$ 72,948	\$ 32,496	\$ 258,994	\$ 15,633	\$ 22,980	\$ 6,184	\$ 2,018,644	\$ 15,978	\$ 45,077	\$ 2,079,700

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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)	\$ 621,261	93%							
	Property Tax (line 40)	44,679	7%	\$ 665,940						
005	Plant Operations and Maintenance			15,772	\$ 15,772					
010	Housekeeping			23,863	579	\$ 24,442				
060	Laundry and Linen			12,461	302	486	\$ 13,249			
065	Dietary			61,927	1,502	2,417	0	\$ 65,846		
155	Social Services			8,262	200	322	0	0	\$ 8,784	
160	Activities			30,486	740	1,190	0	0	0	\$ 32,415
165	Administration			34,753	843	1,356	0	0	0	0
166	Medical Records			3,994	97	156	0	0	0	0
170	Inservice Education - Nursing			13,451	326	525	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			9,832	239	384	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			27,208	660	1,062	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			10,958	266	428	0	0	0	0
083	Speech Pathology			12,597	306	492	0	0	0	0
085	Pharmacy			6,623	161	258	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			390,784	9,480	15,250	13,249	65,846	8,784	32,415
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			2,970	72	116	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 665,940	100%	\$ 665,940	\$ 15,772	\$ 24,442	\$ 13,249	\$ 65,846	\$ 8,784	\$ 32,415

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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)	\$ 621,261	93%							
	Property Tax (line 40)	44,679	7%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 36,952	\$ 36,952				
166	Medical Records				4,247		\$ 4,247			
170	Inservice Education - Nursing			\$ 14,302						
	ANCILLARY SERVICES									
075	Patient Supplies			0	10,454	408	47	\$ 10,909	\$ 10,177	\$ 732
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	28,930	2,284	263	31,477	29,365	2,112
081	Respiratory Therapy			0	0	2	0	2	2	0
082	Occupational Therapy			0	11,652	2,173	250	14,075	13,130	944
083	Speech Pathology			0	13,394	546	63	14,003	13,064	940
085	Pharmacy			0	7,042	1,168	134	8,344	7,784	560
090	Laboratory			0	0	135	15	150	140	10
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	189	22	210	196	14
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			14,302	550,110	30,001	3,448	583,560	544,408	39,152
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	3,158	47	5	3,210	2,995	215
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 665,940	100%	\$ 14,302	\$ 624,741	\$ 36,952	\$ 4,247	\$ 665,940	\$ 621,261	\$ 44,679

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
EMERALD GARDENS NURSING CENTER

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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. 62% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 6% of Total	Quality Assur. Fees 31% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 17,700												
055	Interest - Other	3,251												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,046,086												
	Total Costs Allocable as Administration	1,067,037	62%											
167	CDPH Licensing Fees	29,040	2%											
168	Professional Liability Insurance	100,088	6%											
169	Quality Assurance Fees	527,621	31%											
174	Caregiver Training	0	0%											
	Total	1,723,786	100%						\$ 1,723,786					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 5,631	\$ 70,655	\$ 10,454	\$ 86,741	19,034	\$ 11,782	\$ 321	\$ 1,105	\$ 5,826	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	15,583	441,069	28,930	485,582	106,553	65,957	1,795	6,187	32,614	0
081	Respiratory Therapy			0	0	450	0	450	99	61	2	6	30	0
082	Occupational Therapy			0	6,276	444,016	11,652	461,945	101,366	62,746	1,708	5,886	31,026	0
083	Speech Pathology			0	7,215	95,504	13,394	116,113	25,479	15,772	429	1,479	7,799	0
085	Pharmacy			0	3,793	237,369	7,042	248,204	54,464	33,714	918	3,162	16,671	0
090	Laboratory			0	0	28,620	0	28,620	6,280	3,887	106	365	1,922	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	40,111	0	40,111	8,802	5,448	148	511	2,694	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES														
105	Skilled Nursing Care			4,232,494	939,551	655,810	550,110	6,377,965	1,399,537	866,325	23,578	81,261	428,374	0*
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0*
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0*
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0*
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0*
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0*
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0*
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,701	5,041	3,158	9,900	2,172	1,345	37	126	665	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,723,786		\$ 4,232,494	\$ 979,750	\$ 2,018,644	\$ 624,741	\$ 7,855,629	\$ 1,723,786					
	Total Administrative Costs							\$ 1,723,786		\$ 1,067,037	\$ 29,040	\$ 100,088	\$ 527,621	\$ -
	Unit Cost Multiplier							0.21943322						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 128,451	\$ 61,056	\$ 41,199	\$ 230,706							
	TOTAL FACILITY COSTS							\$ 9,810,121						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
EMERALD GARDENS NURSING CENTER

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj)	Plant Ops (SQ FT) 5 (Adj)	Hskpng (SQ FT) 10 (Adj)	Laundry (LBS) 60 (Adj)	Dietary (MEALS) 65 (Adj)	Soc Srvs (DIRECT EXP) 155 (Adj)	Activities (DIRECT EXP) 160 (Adj)	Inserv. Ed (DIRECT EXP) 170 (Adj)	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	462									
010	Housekeeping	699	699								
060	Laundry and Linen	365	365	365							
065	Dietary	1,814	1,814	1,814							
155	Social Services	242	242	242							
160	Activities	893	893	893							
165	Administration	1,018	1,018	1,018							
166	Medical Records	117	117	117							
170	Inservice Education - Nursing	394	394	394							
	ANCILLARY SERVICES										
075	Patient Supplies	288	288	288						86,741	86,741
077	Specialized Support Surfaces									0	0
080	Physical Therapy	797	797	797						485,582	485,582
081	Respiratory Therapy									450	450
082	Occupational Therapy	321	321	321						461,945	461,945
083	Speech Pathology	369	369	369						116,113	116,113
085	Pharmacy	194	194	194						248,204	248,204
090	Laboratory									28,620	28,620
095	Home Health Services									0	0
100	Other Ancillary Services									40,111	40,111
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	11,447	11,447	11,447	77,612	115,263	4,081,302	4,081,302	4,081,302	6,377,965	6,377,965
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	87	87	87						9,900	9,900
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	19,507	19,045	18,346	77,612	115,263	4,081,302	4,081,302	4,081,302	7,855,629	7,855,629
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 163,375	\$ 127,669			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.040030118	0.031281439			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 99,428	\$ 262,925	\$ 154,361	\$ 443,122	\$ 4,732	\$ 17,460	\$ 96,064	\$ 19,904	\$ 108,547
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		5.22068785	14.33147612	1.98887466	3.84443946	0.00115934	0.00427807	0.02353748	0.00253374	0.01381768
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 223,199	\$ 72,948	\$ 32,496	\$ 258,994	\$ 15,633	\$ 22,980	\$ 6,184	\$ 15,978	\$ 45,077
	UNIT COST MULTIPLIER (INDIRECT OTHER)		11.71955894	3.97623306	0.41869768	2.24698443	0.00383049	0.00563064	0.00151524	0.00203400	0.00573823
	TOTAL CAPITAL COSTS - SCH. 5	\$ 665,940	\$ 15,772	\$ 24,442	\$ 13,249	\$ 65,846	\$ 8,784	\$ 32,415	\$ 14,302	\$ 36,952	\$ 4,247
	UNIT COST MULTIPLIER (CAPITAL COSTS)	34.13851438	0.82814354	1.33226283	0.17070951	0.57126955	0.00215234	0.00794230	0.00350422	0.00470393	0.00054063

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 74,781	\$ 0	\$ 74,781	(Sch 3)
005	.20-.39	Fringe Benefits	6200	24,647	0	24,647	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	223,199	0	223,199	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 322,627	\$ 0	\$ 322,627	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 189,778	\$ 0	\$ 189,778	(Sch 3)
010	.20-.39	Fringe Benefits	6300	69,498	0	69,498	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	64,756	0	64,756	(Sch 4)
010		Housekeeping - Total	6300	\$ 324,032	\$ 0	\$ 324,032	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 0	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	41,486	0	41,486	(Sch 5)
025		Depreciation: Equipment	7140	21,833	267	22,100	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	557,675	0	557,675	(Sch 5)
040		Property Taxes	7300	44,679	0	44,679	(Sch 5)
045		Property Insurance	7400	17,700	0	17,700	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	0	0	0	(Sch 6)
055		Interest - Other	7600	\$ 3,251	\$ 0	\$ 3,251	(Sch 6)
057		Subtotal 005 - 055		\$ 1,333,283	\$ 267	\$ 1,333,550	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 113,203	\$ 0	\$ 113,203	(Sch 3)
060	.20-.39	Fringe Benefits	6400	34,021	0	34,021	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	26,767	0	26,767	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 173,991	\$ 0	\$ 173,991	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 310,989	\$ 0	\$ 310,989	(Sch 3)
065	.20-.39	Fringe Benefits	6500	96,665	0	96,665	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	230,522	0	230,522	(Sch 4)
065		Dietary - Total	6500	\$ 638,176	\$ 0	\$ 638,176	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 0	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	0	0	0	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	63,335	2,800	66,135	(Sch 4)
075		Patient Supplies - Total	8100	\$ 63,335	\$ 2,800	\$ 66,135	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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	428,559	0	428,559	(Sch 4)
080		Physical Therapy - Total	8200	\$ 428,559	\$ 0	\$ 428,559	
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	450	0	450	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 450	\$ 0	\$ 450	
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	438,978	0	438,978	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 438,978	\$ 0	\$ 438,978	
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	89,712	0	89,712	(Sch 4)
083		Speech Pathology - Total	8280	\$ 89,712	\$ 0	\$ 89,712	
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	234,324	0	234,324	(Sch 4)
085		Pharmacy - Total	8300	\$ 234,324	\$ 0	\$ 234,324	
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	28,620	0	28,620	(Sch 4)
090		Laboratory - Total	8400	\$ 28,620	\$ 0	\$ 28,620	
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	\$ 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	35,478	4,633	40,111	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 35,478	\$ 4,633	\$ 40,111	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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		\$ 1,319,456	\$ 7,433	\$ 1,326,889	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,969,436	\$ (3,516)	\$ 2,965,920	(Sch 2)
105	.20-.39	Fringe Benefits	6110	976,203	(673)	975,530	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	147,957	(8,105)	139,852	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 4,093,596	\$ (12,294)	\$ 4,081,302	
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:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		Other Nonreimbursable				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 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	3,675	0	3,675 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 3,675	\$ 0	\$ 3,675
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		Subtotal 105 - 145		\$ 4,097,271	\$ (12,294)	\$ 4,084,977
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 120,407	\$ 0	\$ 120,407 (Sch 2)
155	.20-.39	Fringe Benefits	6600	42,968	0	42,968 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	11,835	0	11,835 (Sch 4)
155		Social Services - Total	6600	\$ 175,210	\$ 0	\$ 175,210

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
EMERALD GARDENS NURSING CENTER

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

Provider NPI:
1134261142

OSHPD Facility Number:
206342204

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	\$ 98,206	\$ 0	\$ 98,206	(Sch 2)
160	.20-.39	Fringe Benefits	6700	29,463	0	29,463	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	8,964	0	8,964	(Sch 4)
160		Activities - Total	6700	\$ 136,633	\$ 0	\$ 136,633	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 321,396	\$ 0	\$ 321,396	(Sch 6)
165	.20-.39	Fringe Benefits	6900	125,453	0	125,453	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	594,375	4,862	599,237	(Sch 6)
165		Administration - Total	6900	\$ 1,041,224	\$ 4,862	\$ 1,046,086	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 77,936	\$ 0	\$ 77,936	(Sch 3)
166	.20-.39	Fringe Benefits	6900	28,323	0	28,323	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	43,241	0	43,241	(Sch 4)
166		Medical Records - Total	6900	\$ 149,500	\$ 0	\$ 149,500	
167		CDPH Licensing Fees	6900	\$ 29,040	\$ 0	\$ 29,040	(Sch 6)
168		Professional Liability Insurance	6900	\$ 100,088	\$ 0	\$ 100,088	(Sch 6)
169		Quality Assurance Fees	6900	\$ 527,621	\$ 0	\$ 527,621	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 66,094	\$ 0	\$ 66,094	(Sch 3)
170	.20-.39	Fringe Benefits	6800	22,266	0	22,266	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	0	0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 88,360	\$ 0	\$ 88,360	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		Subtotal 155 - 174		\$ 2,247,676	\$ 4,862	\$ 2,252,538	
200		Total		\$ 9,809,853	\$ 268	\$ 9,810,121	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 553,330	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name							Fiscal Period		Provider NPI		Adjustments
EMERALD GARDENS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1134261142		7
Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>MEMORANDUM ADJUSTMENT</u>											
1	Not Reported			8	210		Total Facility Group Health Insurance To include Group Health Insurance in the audit for informational purpose only. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 230	\$0	\$553,330	\$553,330	

Provider Name							Fiscal Period	Provider NPI		Adjustments
EMERALD GARDENS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1134261142		7
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>										
2	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	\$63,335	\$2,800	\$66,135
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	147,957	(2,800)	145,157 *
							To reclassify oxygen expense not included in the routine rate to a separately billable cost center for proper cost determination. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304 CCR Title 22, Section 51511(c)			
3	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	\$35,478	\$4,633	\$40,111
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 145,157	(4,633)	140,524 *
							To reclassify x-ray and laboratory services expense not included in the routine rate to a separately billable cost center for proper cost determination. 42 CFR 413.24 / CMS Pub. 15-1, Sections 2202.8 and 2203.2 CCR Title 22, Section 51511			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
EMERALD GARDENS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1134261142		7
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>										
4	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$2,969,436	(\$3,516)	\$2,965,920
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	976,203	(673)	975,530
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 140,524	(672)	139,852
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	594,375	4,862	599,237
							To adjust the reported home office costs to agree with the filed Covenant Care, LLC Home Office Cost Report for the fiscal period ended December 31, 2011. 42 CFR 413.17 / CMS Pub. 15-1, Sections 2150.2 and 2304			
5	10.5	025	4	8A-1	025	4	Depreciation - Equipment	\$21,833	\$267	\$22,100
							To include mattress depreciation expense based on the useful life that was established during the prior year's Medi-Cal Cost Report audit. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 104.8, 108.1, 108.2 and 2300			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
EMERALD GARDENS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1134261142		7
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENT TO REPORTED PATIENT DAYS</u>										
6	4.1	5	2	1	15	Medi-Cal Days To reflect Medi-Cal patient days based on the following Fiscal Intermediary Payment Data. Service Period: January 01, 2011 through December 31, 2011 Payment Period: January 01, 2011 through October 15, 2012 Report Date: October 16, 2012 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541	32,401	(1,328)	31,073	

Provider Name							Fiscal Period			Provider NPI		Adjustments
EMERALD GARDENS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1134261142		7
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO OTHER MATTERS</u>												
7	Not Reported			1	14		Overpayments To recover outstanding Medi-Cal credit balances. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304 CCR Title 22, Sections 50761 and 51458.1		\$0	\$19,498	\$19,498	