

**REPORT  
ON THE  
RATE SETTING AUDIT**

**ELNESS CONVALESCENT HOSPITAL  
TURLOCK, CALIFORNIA  
PROVIDER NUMBER: ZZR05475G  
NPI NUMBER: 1801870019**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Michael Harrold  
Audit Supervisor: Kathy Atkins  
Auditor: Susan Calvino**



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



EDMUND G. BROWN JR.  
GOVERNOR

June 26, 2013

Tracy Orrin, Administrator  
Mark One Corporation  
812 West Main Street  
Turlock, CA 95380

PROVIDER: ELNESS CONVALESCENT HOSPITAL  
PROVIDER NO. ZZR05475G  
NPI NO. 1801870019  
FISCAL PERIOD ENDED DECEMBER 31, 2011

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

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$11,953, which resulted from Medi-Cal share of cost 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.

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 Rate

Development Branch.

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  
Office of Administrative Appeals and Hearings  
1029 J Street, Suite 200  
Sacramento, CA 95814-2825  
(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 95899-7413

**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 95814-5005  
(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—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:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility No.:  
206501990

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	\$ 2,875,993	\$ 83.52
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 843,153	\$ 24.48
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 638,033	\$ 18.53
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 403,595	\$ 11.72
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 26,882	\$ 0.78
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 22,426	\$ 0.65
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 69,861	\$ 2.03
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 421,916	\$ 12.25
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 380,762	\$ 11.06
11	Cost of Routine Service/Audited Total Costs	\$ 5,740,534.00	\$ 5,682,620	\$ 165.02
12	Total Patient Days (Adj )	34,436	34,436	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 166.70	\$ 165.02	
14	Overpayments (Adj 16-17)	\$ 0	\$ (11,953)	
15	Medi-Cal Days (Adj 15)	32,341	29,925	
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:**  
ELNESS CONVALESCENT HOSPITAL

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

**Provider NPI:**  
1801870019

**OSHPD Facility No.:**  
206501990

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:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility No.:  
206501990

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	\$ 75,577	\$ 75,577		
160	Activities	83,002		\$ 83,002	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
<b>ANCILLARY SERVICES</b>					
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
<b>ROUTINE SERVICES</b>					
105	Skilled Nursing Care	2,717,414	75,577	83,002	2,875,993 *
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>\$ 2,875,993</b>	<b>\$ 75,577</b>	<b>\$ 83,002</b>	<b>\$ 2,875,993</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 112,809	\$ 112,809										
010	Housekeeping	295,567	817	\$ 296,384									
060	Laundry and Linen	38,424	8,970	23,738	\$ 71,132								
065	Dietary	301,039	13,006	34,421	0	\$ 348,466							
155	Social Services	N/A	3,342	8,844	0	0	\$ 12,186						
160	Activities	N/A	10,677	28,256	0	0	0	\$ 38,933					
165	Administration	N/A	0	0	0	0	0	0		\$ -	\$ -		
166	Medical Records	48,466	1,591	4,212	0	0	0	0		54,269		\$ 54,269	
170	Inservice Education - Nursing	70,790	0	0	0	0	0	0	\$ 70,790				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		434	1,149	0	0	0	0	0	1,583	0	50	\$ 1,633
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		3,176	8,404	0	0	0	0	0	11,580	0	1,367	12,946
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		0	0	0	0	0	0	0	0	0	1,499	1,499
083	Speech Pathology		0	0	0	0	0	0	0	0	0	238	238
085	Pharmacy		579	1,532	0	0	0	0	0	2,110	0	663	2,773
090	Laboratory		0	0	0	0	0	0	0	0	0	64	64
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services		0	0	0	0	0	0	0	0	0	235	235
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		69,002	182,613	71,132	348,466	12,186	38,933	70,790	793,122	0	50,031	843,153 *
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		1,215	3,216	0	0	0	0	0	4,431	0	122	4,553
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 867,095</b>	<b>\$ 112,809</b>	<b>\$ 296,384</b>	<b>\$ 71,132</b>	<b>\$ 348,466</b>	<b>\$ 12,186</b>	<b>\$ 38,933</b>	<b>\$ 70,790</b>	<b>\$ 812,826</b>	<b>\$ -</b>	<b>\$ 54,269</b>	<b>\$ 867,095</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 170,675	\$ 170,675										
010	Housekeeping	26,486	1,237	\$ 27,723									
060	Laundry and Linen	9,958	13,571	2,220	\$ 25,749								
065	Dietary	248,460	19,678	3,220	0	\$ 271,357							
155	Social Services	0	5,056	827	0	0	\$ 5,884						
160	Activities	6,838	16,154	2,643	0	0	0	\$ 25,635					
165	Administration	N/A	0	0	0	0	0	0		\$ -	\$ -		
166	Medical Records	0	2,408	394	0	0	0	0		2,802		\$ 2,802	
170	Inservice Education - Nursing	2,148	0	0	0	0	0	0	\$ 2,148				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	644	657	107	0	0	0	0	0	1,408	0	3	\$ 1,411
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	99,169	4,805	786	0	0	0	0	0	104,760	0	71	104,830
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	141,677	0	0	0	0	0	0	0	141,677	0	77	141,754
083	Speech Pathology	22,543	0	0	0	0	0	0	0	22,543	0	12	22,555
085	Pharmacy	57,176	876	143	0	0	0	0	0	58,195	0	34	58,229
090	Laboratory	6,077	0	0	0	0	0	0	0	6,077	0	3	6,080
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	22,216	0	0	0	0	0	0	0	22,216	0	12	22,228
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	183,200	104,397	17,081	25,749	271,357	5,884	25,635	2,148	635,450	0	2,583	638,033 *
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	0	1,839	301	0	0	0	0	0	2,139	0	6	2,146
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 997,267</b>	<b>\$ 170,675</b>	<b>\$ 27,723</b>	<b>\$ 25,749</b>	<b>\$ 271,357</b>	<b>\$ 5,884</b>	<b>\$ 25,635</b>	<b>\$ 2,148</b>	<b>\$ 994,465</b>	<b>\$ -</b>	<b>\$ 2,802</b>	<b>\$ 997,267</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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)	\$ 424,550	94%							
	Property Tax (line 40)	28,278	6%	\$ 452,828						
005	Plant Operations and Maintenance			36,445	\$ 36,445					
010	Housekeeping			3,017	264	\$ 3,281				
060	Laundry and Linen			33,108	2,898	263	\$ 36,268			
065	Dietary			48,006	4,202	381	0	\$ 52,589		
155	Social Services			12,335	1,080	98	0	0	\$ 13,513	
160	Activities			39,409	3,449	313	0	0	0	\$ 43,171
165	Administration			0	0	0	0	0	0	0
166	Medical Records			5,874	514	47	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			1,602	140	13	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			11,721	1,026	93	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0
083	Speech Pathology			0	0	0	0	0	0	0
085	Pharmacy			2,136	187	17	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			254,689	22,292	2,022	36,268	52,589	13,513	43,171
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			4,486	393	36	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 452,828</b>	<b>100%</b>	<b>\$ 452,828</b>	<b>\$ 36,445</b>	<b>\$ 3,281</b>	<b>\$ 36,268</b>	<b>\$ 52,589</b>	<b>\$ 13,513</b>	<b>\$ 43,171</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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 94% Of Total	Property Tax 6% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 424,550	94%							
	Property Tax (line 40)	28,278	6%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ -	\$ -				
166	Medical Records				6,435		\$ 6,435			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	1,755	0	6	\$ 1,761	\$ 1,651	\$ 110
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	12,840	0	162	13,002	12,190	812
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	178	178	167	11
083	Speech Pathology			0	0	0	28	28	27	2
085	Pharmacy			0	2,340	0	79	2,418	2,267	151
090	Laboratory			0	0	0	8	8	7	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	28	28	26	2
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			0	424,545	0	5,932	430,477	403,595	26,882 *
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	4,914	0	14	4,928	4,620	308
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 452,828	100%	\$ -	\$ 446,393	\$ -	\$ 6,435	\$ 452,828	\$ 424,550	\$ 28,278

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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. 43% of Total	DPH Licensing Fees 3% of Total	Professional Liability Ins. 8% of Total	Quality Assur. Fees 47% of Total	Caregiver Training 0% of Total
	<b>GENERAL SERVICES</b>													
045	Property Insurance	\$ 15,943												
055	Interest - Other	1,123												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	395,947												
	Total Costs Allocable as Administration	413,013	43%											
167	CDPH Licensing Fees	24,325	3%											
168	Professional Liability Insurance	75,778	8%											
169	Quality Assurance Fees	457,653	47%											
174	Caregiver Training	0	0%											
	Total	970,769	100%						\$ 970,769					
	<b>ANCILLARY SERVICES</b>													
075	Patient Supplies			\$ -	\$ 1,583	\$ 1,408	\$ 1,755	\$ 4,746	898	\$ 382	\$ 23	\$ 70	\$ 423	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	11,580	104,760	12,840	129,179	24,447	10,401	613	1,908	11,525	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	0	141,677	0	141,677	26,812	11,407	672	2,093	12,640	0
083	Speech Pathology			0	0	22,543	0	22,543	4,266	1,815	107	333	2,011	0
085	Pharmacy			0	2,110	58,195	2,340	62,645	11,855	5,044	297	925	5,589	0
090	Laboratory			0	0	6,077	0	6,077	1,150	489	29	90	542	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	22,216	0	22,216	4,204	1,789	105	328	1,982	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			2,875,993	793,122	635,450	424,545	4,729,110	894,963	380,762	22,426	69,861	421,916	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	4,431	2,139	4,914	11,485	2,173	925	54	170	1,025	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 970,769		\$ 2,875,993	\$ 812,826	\$ 994,465	\$ 446,393	\$ 5,129,678	\$ 970,769					
	Total Administrative Costs							\$ 970,769		\$ 413,013	\$ 24,325	\$ 75,778	\$ 457,653	\$ -
	Unit Cost Multiplier							0.18924562						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 54,269	\$ 2,802	\$ 6,435	\$ 63,505							
	<b>TOTAL FACILITY COSTS</b>							\$ 6,163,952						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 13)	Plant Ops (SQ FT) 5 (Adj 13)	Hskpng (SQ FT) 10 (Adj 13)	Laundry (LBS) 60 (Adj 14)	Dietary (MEALS) 65 (Adj 14)	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	1,365									
010	Housekeeping	113	113								
060	Laundry and Linen	1,240	1,240	1,240							
065	Dietary	1,798	1,798	1,798							
155	Social Services	462	462	462							
160	Activities	1,476	1,476	1,476							
165	Administration										
166	Medical Records	220	220	220							
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	60	60	60						4,746	4,746
077	Specialized Support Surfaces									0	0
080	Physical Therapy	439	439	439						129,179	129,179
081	Respiratory Therapy									0	0
082	Occupational Therapy									141,677	141,677
083	Speech Pathology									22,543	22,543
085	Pharmacy	80	80	80						62,645	62,645
090	Laboratory									6,077	6,077
095	Home Health Services									0	0
100	Other Ancillary Services									22,216	22,216
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	9,539	9,539	9,539	141,685	103,308	2,900,614	2,900,614	2,900,614	4,729,110	4,729,110
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	168	168	168						11,485	11,485
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	16,960	15,595	15,482	141,685	103,308	2,900,614	2,900,614	2,900,614	5,129,678	5,129,678
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 75,577 0.026055518	\$ 83,002 0.028615321			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 112,809 7.23366464	\$ 296,384 19.14380598	\$ 71,132 0.50204371	\$ 348,466 3.37307558	\$ 12,186 0.00420131	\$ 38,933 0.01342238	\$ 70,790 0.02440518	\$ - 0.00000000	\$ 54,269 0.01057943
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 170,675 10.94421289	\$ 27,723 1.79064049	\$ 25,749 0.18173567	\$ 271,357 2.62668202	\$ 5,884 0.00202836	\$ 25,635 0.00883766	\$ 2,148 0.00074053	\$ - 0.00000000	\$ 2,802 0.00054617
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 452,828 26.69976415	\$ 36,445 2.33697840	\$ 3,281 0.21193334	\$ 36,268 0.25597881	\$ 52,589 0.50905176	\$ 13,513 0.00465863	\$ 43,171 0.01488342	\$ - 0.00000000	\$ - 0.00000000	\$ 6,435 0.00125441

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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	\$ 81,938	\$ 0	\$ 81,938	(Sch 3)
005	.20-.39	Fringe Benefits	6200	30,955	(84)	30,871	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	170,675	0	170,675	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 283,568	\$ (84)	\$ 283,484	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 216,364	\$ 0	\$ 216,364	(Sch 3)
010	.20-.39	Fringe Benefits	6300	79,423	(220)	79,203	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	26,486	0	26,486	(Sch 4)
010		Housekeeping - Total	6300	\$ 322,273	\$ (220)	\$ 322,053	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	14,420	0	14,420	(Sch 5)
025		Depreciation: Equipment	7140	16,845	0	16,845	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	393,285	0	393,285	(Sch 5)
040		Property Taxes	7300	26,472	1,806	28,278	(Sch 5)
045		Property Insurance	7400	1,806	14,137	15,943	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$ 0	\$ 1,123	\$ 1,123	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,058,669	\$ 16,762	\$ 1,075,431	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 37,488	\$ (9,030)	\$ 28,458	(Sch 3)
060	.20-.39	Fringe Benefits	6400	10,950	(984)	9,966	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	0	9,958	9,958	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 48,438	\$ (56)	\$ 48,382	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 221,885	\$ 0	\$ 221,885	(Sch 3)
065	.20-.39	Fringe Benefits	6500	79,381	(227)	79,154	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	248,460	0	248,460	(Sch 4)
065		Dietary - Total	6500	\$ 549,726	\$ (227)	\$ 549,499	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	644	0	644	(Sch 4)
075		Patient Supplies - Total	8100	\$ 644	\$ 0	\$ 644	
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:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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	99,169	0	99,169	(Sch 4)
080		Physical Therapy - Total	8200	\$ 99,169	\$ 0	\$ 99,169	
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	141,677	0	141,677	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 141,677	\$ 0	\$ 141,677	
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	22,543	0	22,543	(Sch 4)
083		Speech Pathology - Total	8280	\$ 22,543	\$ 0	\$ 22,543	
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	57,176	0	57,176	(Sch 4)
085		Pharmacy - Total	8300	\$ 57,176	\$ 0	\$ 57,176	
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	6,077	0	6,077	(Sch 4)
090		Laboratory - Total	8400	\$ 6,077	\$ 0	\$ 6,077	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900		0	0	(Sch 2)
100	.79	Agency Staff	8900		0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	6,767	15,449	22,216	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 6,767	\$ 15,449	\$ 22,216	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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		\$ 334,053	\$ 15,449	\$ 349,502	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,025,355	\$ 0	\$ 2,025,355	(Sch 2)
105	.20-.39	Fringe Benefits	6110	694,080	(2,021)	692,059	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	198,649	(15,449)	183,200	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,918,084	\$ (17,470)	\$ 2,900,614	
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:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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		0	0 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 0	\$ 0
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>		\$ 2,918,084	\$ (17,470)	\$ 2,900,614
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 56,601	\$ 0	\$ 56,601 (Sch 2)
155	.20-.39	Fringe Benefits	6600	19,035	(59)	18,976 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600		0	0 (Sch 4)
155		Social Services - Total	6600	\$ 75,636	\$ (59)	\$ 75,577

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
ELNESS CONVALESCENT HOSPITAL

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

Provider NPI:  
1801870019

OSHPD Facility Number:  
206501990

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	\$ 61,622	\$ 0	\$ 61,622	(Sch 2)
160	.20-.39	Fringe Benefits	6700	21,439	(59)	21,380	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	6,838	0	6,838	(Sch 4)
160		Activities - Total	6700	\$ 89,899	\$ (59)	\$ 89,840	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 20,730	\$ 0	\$ 20,730	(Sch 6)
165	.20-.39	Fringe Benefits	6900	7,567	(21)	7,546	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	402,434	(34,763)	367,671	(Sch 6)
165		Administration - Total	6900	\$ 430,731	\$ (34,784)	\$ 395,947	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 34,923	\$ 0	\$ 34,923	(Sch 3)
166	.20-.39	Fringe Benefits	6900	13,578	(35)	13,543	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900		0	0	(Sch 4)
166		Medical Records - Total	6900	\$ 48,501	\$ (35)	\$ 48,466	
167		CDPH Licensing Fees	6900	\$ 24,325	\$ 0	\$ 24,325	(Sch 6)
168		Professional Liability Insurance	6900	\$ 91,119	\$ (15,341)	\$ 75,778	(Sch 6)
169		Quality Assurance Fees	6900	\$ 457,653	\$ 0	\$ 457,653	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 52,299	\$ 0	\$ 52,299	(Sch 3)
170	.20-.39	Fringe Benefits	6800	18,553	(62)	18,491	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	2,148	0	2,148	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 73,000	\$ (62)	\$ 72,938	
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>		\$ 1,290,864	\$ (50,340)	\$ 1,240,524	
200		<b>Total</b>		\$ 6,199,834	\$ (35,882)	\$ 6,163,952	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 292,243	
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\* For informational purposes only, this amount is included in various cost centers above.

















Provider Name							Fiscal Period			Provider NPI		Adjustments
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1801870019		17
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>MEMORANDUM ADJUSTMENT</u></b>												
1	N/A			8	210		Total Facility Group Health Insurance To include Group Health Insurance in the audit for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$292,243	\$292,243		

Provider Name							Fiscal Period	Provider NPI	Adjustments		
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1801870019	17		
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>											
2	10.5	060	1	8A-1	060	1	Laundry and Linen - Salaries and Wages	\$37,488	(\$9,030)	\$28,458	
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefit:	10,950	(928)	10,022 *	
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabo	0	9,958	9,958	
							To reclassify laundry and linen expense for proper cost finding				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
3	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$402,434	(\$1,713)	\$400,721 *	
	10.5	055	4	8A-1	055	4	Interest - Other	0	1,713	1,713 *	
							To reclassify finance charges to the proper cost center.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
4	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* \$400,721	(\$15,943)	\$384,778 *	
	10.5	045	4	8A-1	045	4	Property Insurance	1,806	15,943	17,749 *	
							To reclassify property insurance to the proper cost center.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
5	10.5	045	4	8A-1	045	4	Property Insurance	* \$17,749	(\$1,806)	\$15,943	
	10.5	040	4	8A-1	040	4	Property Taxes	26,472	1,806	28,278	
							To reclassify property tax expense for proper cost reporting.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
6	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$198,649	(\$15,449)	\$183,200	
	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	6,767	15,449	22,216	
							To reclassify oxygen expenses for proper cost finding.				
							42 CFR 413.20 and 413.24				
							CCR, Title 22, Section 51511(b)				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1801870019		17
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b>ADJUSTMENTS TO REPORTED COSTS</b>											
7	10.5	055	4	8A-1	055	4	Interest - Other To abate interest income against interest expense. 42 CFR 413.153(b)(2)(iii) / CMS Pub. 15-1, Section 202.2 CMS Pub. 15-2, Section 3613	*	\$1,713	(\$590)	\$1,123
8	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits		\$30,955	(\$84)	\$30,871
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits		79,423	(220)	79,203
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	*	10,022	(56)	9,966
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits		79,381	(227)	79,154
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits		694,080	(2,021)	692,059
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits		19,035	(59)	18,976
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits		21,439	(59)	21,380
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits		7,567	(21)	7,546
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits		13,578	(35)	13,543
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits To eliminate prior and subsequent period worker's compensation expense and to agree with the provider's records. 42 CFR 413.5. 413.20, 413.24 and 460.204 CMS Pub. 15-1, Sections 2300, 2302.1 and 2304		18,553	(62)	18,491
9	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$384,778	(\$295)	\$384,483 *
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To adjust the liability insurance and administrative insurance expense to agree with the provider's records.		91,119	(15,341)	75,778
10	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To eliminate unallowable state income tax credit fee. 42 CFR 413.9 and 413.20 CMS Pub. 15-1, Sections 2122.2A, 2122.2B and 2300	*	\$384,483	(\$13,753)	\$370,730 *

Provider Name							Fiscal Period		Provider NPI		Adjustments
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1801870019		17
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>											
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$370,730		
11							To eliminate political contributions/lobby fees not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3, 2139, 2300 and 2304			(\$1,024)	
12							To eliminate bonus expenses due to insufficient or lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			<u>(2,035)</u> (\$3,059) \$367,671	

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1801870019		17
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b><u>ADJUSTMENTS TO REPORTED STATISTICS</u></b>											
13	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	0	1,365	1,365	
	10.7	010	1,2	7	010	N/A	Housekeeping	0	113	113	
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	0	1,240	1,240	
	10.7	065	1,2,3	7	065	N/A	Dietary	0	1,798	1,798	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	0	60	60	
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	0	439	439	
	10.7	085	1,2,3	7	085	N/A	Pharmacy	0	80	80	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	0	9,539	9,539	
	10.7	140	1,2,3	7	140	N/A	Beauty and Barber	0	168	168	
	10.7	155	1,2,3	7	155	N/A	Social Services	0	462	462	
	10.7	160	1,2,3	7	160	N/A	Activities	0	1,476	1,476	
	10.7	166	1,2,3	7	166	N/A	Medical Records	0	220	220	
	10.7	175	1	7	175	N/A	Total Statistic - Capital	0	16,960	16,960	
	10.7	175	2	7	175	N/A	Total Statistic - Plant Operations and Maintenance	0	15,595	15,595	
	10.7	175	3	7	175	N/A	Total Statistic - Housekeeping	0	15,482	15,482	
							To adjust square footage to agree with the provider's schedules. 42 CFR 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
14	10.7	105	4	7	105	N/A	Skilled Nursing Care (Laundry Pounds)	0	141,685	141,685	
	10.7	105	5	7	105	N/A	Skilled Nursing Care (Meals Served)	0	103,308	103,308	
	10.7	175	4	7	175	N/A	Total Statistic - Laundry	0	141,685	141,685	
	10.7	175	5	7	175	N/A	Total Statistic - Dietary	0	103,308	103,308	
							To adjust laundry pounds and meals served to agree with the provider's records. 42 CFR 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period		Provider NPI		Adjustments
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1801870019		17
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<b><u>ADJUSTMENT TO REPORTED PATIENT DAYS</u></b>											
15	4.1	5.00	2	1	15	N/A	Medi-Cal Days	32,341	(2,416)	29,925	
							To adjust reported Medi-Cal Nursing Facility Days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through December 31, 2012 Report Date: January 11, 2013 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541				

Provider Name							Fiscal Period			Provider NPI		Adjustments
ELNESS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1801870019		17
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 OTHER MATTERS</u></b>												
	Not Reported			1	14		Overpayments		\$0			
16							To recover overbillings for Medi-Cal contract drugs that are separately billable and payable by the Medi-Cal program. CCR, Title 22, Sections 51511, 51123 and 51310			\$7,729		
17							To recover deductions to share of cost due to lack of supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51511			4,224 \$11,953	\$11,953	