

**REPORT
ON THE
RATE SETTING AUDIT**

**GILROY HEALTHCARE AND REHABILITATION CENTER
GILROY, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1831231877**

**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

GILROY HEALTHCARE AND REHABILITATION CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1831231877
FISCAL PERIOD ENDED DECEMBER 31, 2011

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

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$5,072, 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
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Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Fee-For-Service Rate Development Division.

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

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

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

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:

GILROY HEALTHCARE AND REHABILITATION CARE

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:

1831231877

OSHPD Facility No.:

206430760

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	\$ 4,834,573	\$ 105.27
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,157,448	\$ 25.20
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 794,439	\$ 17.30
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 645,316	\$ 14.05
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 56,511	\$ 1.23
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 27,436	\$ 0.60
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 97,792	\$ 2.13
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 532,767	\$ 11.60
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 1,055,951	\$ 22.99
11	Cost of Routine Service/Audited Total Costs	\$ 9,152,412	\$ 9,202,234	\$ 200.38
12	Total Patient Days (Adj)	45,924	\$ 45,924	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 199.29	\$ 200.38	
14	Overpayments (Adj 8)	\$ 0	\$ (5,072)	
15	Medi-Cal Days (Adj 7)	38,746	37,768	
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:

GILROY HEALTHCARE AND REHABILITATION CARE

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Provider NPI:

1831231877

OSHPD Facility No.:

206430760

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:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility No.:
206430760

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	\$ 183,630	\$ 183,630		
160	Activities	222,450		\$ 222,450	
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	4,428,493	183,630	222,450	4,834,573
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	\$ 4,834,573	\$ 183,630	\$ 222,450	\$ 4,834,573

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	\$ 154,510	\$ 154,510										
010	Housekeeping	283,077	2,792	\$ 285,869									
060	Laundry and Linen	121,094	3,929	7,404	\$ 132,427								
065	Dietary	438,571	12,772	24,066	0	\$ 475,409							
155	Social Services	N/A	771	1,452	0	0	\$ 2,223						
160	Activities	N/A	5,318	10,020	0	0	0	\$ 15,338					
165	Administration	N/A	8,683	16,360	0	0	0	0	\$ 25,043	\$ 25,043			
166	Medical Records	94,317	1,274	2,401	0	0	0	0	97,992		\$ 97,992		
170	Inservice Education - Nursing	138,680	3,281	6,182	0	0	0	0	\$ 148,143				
ANCILLARY SERVICES													
075	Patient Supplies		1,213	2,286	0	0	0	0	0	3,499	246	964	\$ 4,709
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		5,997	11,300	0	0	0	0	0	17,297	1,309	5,121	23,726
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	1	2
082	Occupational Therapy		6,684	12,593	0	0	0	0	0	19,277	941	3,682	23,900
083	Speech Pathology		3,258	6,139	0	0	0	0	0	9,397	371	1,453	11,221
085	Pharmacy		1,434	2,703	0	0	0	0	0	4,137	662	2,589	7,388
090	Laboratory		0	0	0	0	0	0	0	0	70	274	344
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	58	227	285
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		96,715	182,232	132,427	475,409	2,223	15,338	148,143	1,052,486	21,364	83,598	1,157,448 *
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		389	733	0	0	0	0	0	1,122	21	82	1,226
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,230,249	\$ 154,510	\$ 285,869	\$ 132,427	\$ 475,409	\$ 2,223	\$ 15,338	\$ 148,143	\$ 1,107,214	\$ 25,043	\$ 97,992	\$ 1,230,249

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	\$ 204,509	\$ 204,509										
010	Housekeeping	90,979	3,696	\$ 94,675									
060	Laundry and Linen	25,189	5,201	2,452	\$ 32,842								
065	Dietary	304,256	16,905	7,970	0	\$ 329,131							
155	Social Services	6,614	1,020	481	0	0	\$ 8,115						
160	Activities	15,713	7,039	3,319	0	0	0	\$ 26,070					
165	Administration	N/A	11,492	5,418	0	0	0	0		\$ 16,911	\$ 16,911		
166	Medical Records	47,413	1,686	795	0	0	0	0		49,895		\$ 49,895	
170	Inservice Education - Nursing	0	4,342	2,047	0	0	0	0	\$ 6,390				
ANCILLARY SERVICES													
075	Patient Supplies	71,620	1,606	757	0	0	0	0	0	73,983	166	491	\$ 74,640
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	384,943	7,938	3,742	0	0	0	0	0	396,623	884	2,607	400,114
081	Respiratory Therapy	123	0	0	0	0	0	0	0	123	0	1	124
082	Occupational Therapy	252,625	8,846	4,171	0	0	0	0	0	265,642	635	1,875	268,152
083	Speech Pathology	93,396	4,312	2,033	0	0	0	0	0	99,741	251	740	100,732
085	Pharmacy	210,897	1,899	895	0	0	0	0	0	213,691	447	1,318	215,456
090	Laboratory	23,886	0	0	0	0	0	0	0	23,886	47	140	24,073
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	19,785	0	0	0	0	0	0	0	19,785	39	116	19,940
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	146,535	128,011	60,352	32,842	329,131	8,115	26,070	6,390	737,446	14,427	42,566	794,439 *
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	3,200	515	243	0	0	0	0	0	3,958	14	42	4,014
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,901,683	\$ 204,509	\$ 94,675	\$ 32,842	\$ 329,131	\$ 8,115	\$ 26,070	\$ 6,390	\$ 1,834,878	\$ 16,911	\$ 49,895	\$ 1,901,683

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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)	\$ 745,779	92%							
	Property Tax (line 40)	65,309	8%	\$ 811,088						
005	Plant Operations and Maintenance			11,568	\$ 11,568					
010	Housekeeping			14,450	209	\$ 14,659				
060	Laundry and Linen			20,332	294	380	\$ 21,006			
065	Dietary			66,090	956	1,234	0	\$ 68,281		
155	Social Services			3,988	58	74	0	0	\$ 4,120	
160	Activities			27,518	398	514	0	0	0	\$ 28,430
165	Administration			44,929	650	839	0	0	0	0
166	Medical Records			6,593	95	123	0	0	0	0
170	Inservice Education - Nursing			16,977	246	317	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			6,277	91	117	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			31,032	449	579	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			34,585	500	646	0	0	0	0
083	Speech Pathology			16,858	244	315	0	0	0	0
085	Pharmacy			7,422	107	139	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			500,455	7,241	9,345	21,006	68,281	4,120	28,430
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			2,014	29	38	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 811,088	100%	\$ 811,088	\$ 11,568	\$ 14,659	\$ 21,006	\$ 68,281	\$ 4,120	\$ 28,430

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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 92% Of Total	Property Tax 8% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 745,779	92%							
	Property Tax (line 40)	65,309	8%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 46,418	\$ 46,418				
166	Medical Records				6,812		\$ 6,812			
170	Inservice Education - Nursing			\$ 17,539						
	ANCILLARY SERVICES									
075	Patient Supplies			0	6,485	457	67	\$ 7,009	\$ 6,445	\$ 564
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	32,060	2,426	356	34,842	32,036	2,805
081	Respiratory Therapy			0	0	1	0	1	1	0
082	Occupational Therapy			0	35,731	1,744	256	37,731	34,693	3,038
083	Speech Pathology			0	17,417	688	101	18,206	16,740	1,466
085	Pharmacy			0	7,668	1,226	180	9,075	8,344	731
090	Laboratory			0	0	130	19	149	137	12
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	108	16	123	113	10
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			17,539	656,416	39,600	5,811	701,827	645,316	56,511
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	2,080	39	6	2,125	1,954	171
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 811,088	100%	\$ 17,539	\$ 757,858	\$ 46,418	\$ 6,812	\$ 811,088	\$ 745,779	\$ 65,309

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	\$ 23,916												
055	Interest - Other	413												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,213,432												
	Total Costs Allocable as Administration	1,237,761	62%											
167	CDPH Licensing Fees	32,160	2%											
168	Professional Liability Insurance	114,630	6%											
169	Quality Assurance Fees	624,497	31%											
174	Caregiver Training	0	0%											
	Total	2,009,048	100%						\$ 2,009,048					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 3,499	\$ 73,983	\$ 6,485	\$ 83,967	19,766	\$ 12,178	\$ 316	\$ 1,128	\$ 6,144	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	17,297	396,623	32,060	445,980	104,985	64,680	1,681	5,990	32,634	0
081	Respiratory Therapy			0	0	123	0	123	29	18	0	2	9	0
082	Occupational Therapy			0	19,277	265,642	35,731	320,650	75,482	46,504	1,208	4,307	23,463	0
083	Speech Pathology			0	9,397	99,741	17,417	126,555	29,791	18,354	477	1,700	9,260	0
085	Pharmacy			0	4,137	213,691	7,668	225,496	53,082	32,704	850	3,029	16,500	0
090	Laboratory			0	0	23,886	0	23,886	5,623	3,464	90	321	1,748	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	19,785	0	19,785	4,657	2,869	75	266	1,448	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			4,834,573	1,052,486	737,446	656,416	7,280,922	1,713,947	1,055,951	27,436	97,792	532,767	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	1,122	3,958	2,080	7,160	1,686	1,038	27	96	524	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 2,009,048		\$ 4,834,573	\$ 1,107,214	\$ 1,834,878	\$ 757,858	\$ 8,534,524	\$ 2,009,048					
	Total Administrative Costs							\$ 2,009,048		\$ 1,237,761	\$ 32,160	\$ 114,630	\$ 624,497	\$ -
	Unit Cost Multiplier							0.23540248						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 123,035	\$ 66,805	\$ 53,230	\$ 243,069							
	TOTAL FACILITY COSTS							\$ 10,786,641						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	293									
010	Housekeeping	366	366								
060	Laundry and Linen	515	515	515							
065	Dietary	1,674	1,674	1,674							
155	Social Services	101	101	101							
160	Activities	697	697	697							
165	Administration	1,138	1,138	1,138							
166	Medical Records	167	167	167							
170	Inservice Education - Nursing	430	430	430							
	ANCILLARY SERVICES										
075	Patient Supplies	159	159	159						83,967	83,967
077	Specialized Support Surfaces									0	0
080	Physical Therapy	786	786	786						445,980	445,980
081	Respiratory Therapy									123	123
082	Occupational Therapy	876	876	876						320,650	320,650
083	Speech Pathology	427	427	427						126,555	126,555
085	Pharmacy	188	188	188						225,496	225,496
090	Laboratory									23,886	23,886
095	Home Health Services									0	0
100	Other Ancillary Services									19,785	19,785
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	12,676	12,676	12,676	91,848	136,596	4,575,028	4,575,028	4,575,028	7,280,922	7,280,922
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	51	51	51						7,160	7,160
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	20,544	20,251	19,885	91,848	136,596	4,575,028	4,575,028	4,575,028	8,534,524	8,534,524
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 183,630 0.040137459	\$ 222,450 0.048622653			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 154,510 7.62974668	\$ 285,869 14.37613715	\$ 132,427 1.44180636	\$ 475,409 3.48040096	\$ 2,223 0.00048581	\$ 15,338 0.00335257	\$ 148,143 0.03238068	\$ 25,043 0.00293428	\$ 97,992 0.01148183
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 204,509 10.09871118	\$ 94,675 4.76113293	\$ 32,842 0.35756706	\$ 329,131 2.40952428	\$ 8,115 0.00177373	\$ 26,070 0.00569839	\$ 6,390 0.00139665	\$ 16,911 0.00198142	\$ 49,895 0.00584621
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 811,088 39.48052960	\$ 11,568 0.57122094	\$ 14,659 0.73718585	\$ 21,006 0.22870724	\$ 68,281 0.49987320	\$ 4,120 0.00090047	\$ 28,430 0.00621415	\$ 17,539 0.00383369	\$ 46,418 0.00543883	\$ 6,812 0.00079814

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	\$ 117,071	\$ 0	\$ 117,071	(Sch 3)
005	.20-.39	Fringe Benefits	6200	37,439	0	37,439	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	204,509	0	204,509	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 359,019	\$ 0	\$ 359,019	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 216,565	\$ 0	\$ 216,565	(Sch 3)
010	.20-.39	Fringe Benefits	6300	66,512	0	66,512	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	90,979	0	90,979	(Sch 4)
010		Housekeeping - Total	6300	\$ 374,056	\$ 0	\$ 374,056	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 0	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	37,809	0	37,809	(Sch 5)
025		Depreciation: Equipment	7140	33,321	429	33,750	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	674,220	0	674,220	(Sch 5)
040		Property Taxes	7300	65,309	0	65,309	(Sch 5)
045		Property Insurance	7400	23,916	0	23,916	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	0	0	0	(Sch 6)
055		Interest - Other	7600	\$ 413	\$ 0	\$ 413	(Sch 6)
057		Subtotal 005 - 055		\$ 1,568,063	\$ 429	\$ 1,568,492	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 90,587	\$ 0	\$ 90,587	(Sch 3)
060	.20-.39	Fringe Benefits	6400	30,507	0	30,507	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	25,189	0	25,189	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 146,283	\$ 0	\$ 146,283	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 339,335	\$ 0	\$ 339,335	(Sch 3)
065	.20-.39	Fringe Benefits	6500	99,236	0	99,236	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	304,256	0	304,256	(Sch 4)
065		Dietary - Total	6500	\$ 742,827	\$ 0	\$ 742,827	
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	66,465	5,155	71,620	(Sch 4)
075		Patient Supplies - Total	8100	\$ 66,465	\$ 5,155	\$ 71,620	
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:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	384,943	0	384,943	(Sch 4)
080		Physical Therapy - Total	8200	\$ 384,943	\$ 0	\$ 384,943	
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	123	0	123	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 123	\$ 0	\$ 123	
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	252,625	0	252,625	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 252,625	\$ 0	\$ 252,625	
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	93,396	0	93,396	(Sch 4)
083		Speech Pathology - Total	8280	\$ 93,396	\$ 0	\$ 93,396	
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	210,897	0	210,897	(Sch 4)
085		Pharmacy - Total	8300	\$ 210,897	\$ 0	\$ 210,897	
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	23,886	0	23,886	(Sch 4)
090		Laboratory - Total	8400	\$ 23,886	\$ 0	\$ 23,886	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	19,785	0	19,785	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 19,785	\$ 0	\$ 19,785	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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		\$ 1,052,120	\$ 5,155	\$ 1,057,275	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 3,405,927	\$ (3,841)	\$ 3,402,086	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,027,143	(736)	1,026,407	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	152,424	(5,889)	146,535	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 4,585,494	\$ (10,466)	\$ 4,575,028	
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:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	3,200	0	3,200 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 3,200	\$ 0	\$ 3,200
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		\$ 4,588,694	\$ (10,466)	\$ 4,578,228
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 145,154	\$ 0	\$ 145,154 (Sch 2)
155	.20-.39	Fringe Benefits	6600	38,476	0	38,476 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	6,614	0	6,614 (Sch 4)
155		Social Services - Total	6600	\$ 190,244	\$ 0	\$ 190,244

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

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

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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	\$ 170,180	\$ 0	\$ 170,180	(Sch 2)
160	.20-.39	Fringe Benefits	6700	52,270	0	52,270	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	15,713	0	15,713	(Sch 4)
160		Activities - Total	6700	\$ 238,163	\$ 0	\$ 238,163	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 409,712	\$ 0	\$ 409,712	(Sch 6)
165	.20-.39	Fringe Benefits	6900	123,745	0	123,745	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	674,664	5,311	679,975	(Sch 6)
165		Administration - Total	6900	\$ 1,208,121	\$ 5,311	\$ 1,213,432	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 73,929	\$ 0	\$ 73,929	(Sch 3)
166	.20-.39	Fringe Benefits	6900	20,388	0	20,388	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	47,413	0	47,413	(Sch 4)
166		Medical Records - Total	6900	\$ 141,730	\$ 0	\$ 141,730	
167		CDPH Licensing Fees	6900	\$ 32,160	\$ 0	\$ 32,160	(Sch 6)
168		Professional Liability Insurance	6900	\$ 114,630	\$ 0	\$ 114,630	(Sch 6)
169		Quality Assurance Fees	6900	\$ 624,497	\$ 0	\$ 624,497	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 107,090	\$ 0	\$ 107,090	(Sch 3)
170	.20-.39	Fringe Benefits	6800	31,590	0	31,590	(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	\$ 138,680	\$ 0	\$ 138,680	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		Subtotal 155 - 174		\$ 2,688,225	\$ 5,311	\$ 2,693,536	
200		Total		\$ 10,786,212	\$ 429	\$ 10,786,641	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 496,778	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
GILROY HEALTHCARE AND REHABILITATION CARE

Provider NPI:
1831231877

OSHPD Facility Number:
206430760

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

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
005	1	Plant Operations and Maintenance - Salaries and Wages	0							
005	2	Plant Operations and Maintenance - Fringe Benefits	0							
005	3	Plant Operations and Maintenance - Agency Staff	0							
005	4	Plant Operations and Maintenance - Other - Nonlabor	0							
010	1	Housekeeping - Salaries and Wages	0							
010	2	Housekeeping - Fringe Benefits	0							
010	3	Housekeeping - Agency Staff	0							
010	4	Housekeeping - Other - Nonlabor	0							
015	4	Depreciation: Buildings and Improvements	0							
020	4	Depreciation: Leasehold Improvements	0							
025	4	Depreciation: Equipment	429					429		
030	4	Depreciation and Amortization - Other	0							
035	4	Leases and Rentals	0							
040	4	Property Taxes	0							
045	4	Property Insurance	0							
050	4	Interest - Property, Plant, and Equipment	0							
055	4	Interest - Other	0							
060	1	Laundry and Linen - Salaries and Wages	0							
060	2	Laundry and Linen - Fringe Benefits	0							
060	3	Laundry and Linen - Agency Staff	0							
060	4	Laundry and Linen - Other - Nonlabor	0							
065	1	Dietary - Salaries and Wages	0							
065	2	Dietary - Fringe Benefits	0							
065	3	Dietary - Agency Staff	0							
065	4	Dietary - Other - Nonlabor	0							
070	4	Provision for Bad Debts	0							
075	1	Patient Supplies - Salaries and Wages	0							
075	2	Patient Supplies - Fringe Benefits	0							
075	3	Patient Supplies - Agency Staff	0							
075	4	Patient Supplies - Other - Nonlabor	5,155	1,826	2,277	1,052				
077	1	Specialized Support Surfaces - Salaries and Wages	0							
077	2	Specialized Support Surfaces - Fringe Benefits	0							
077	3	Specialized Support Surfaces - Agency Staff	0							
077	4	Specialized Support Surfaces - Other - Nonlabor	0							
080	1	Physical Therapy - Salaries and Wages	0							
080	2	Physical Therapy - Fringe Benefits	0							
080	3	Physical Therapy - Agency Staff	0							
080	4	Physical Therapy - Other - Nonlabor	0							
081	1	Respiratory Therapy - Salaries and Wages	0							
081	2	Respiratory Therapy - Fringe Benefits	0							
081	3	Respiratory Therapy - Agency Staff	0							
081	4	Respiratory Therapy - Other - Nonlabor	0							
082	1	Occupational Therapy - Salaries and Wages	0							
082	2	Occupational Therapy - Fringe Benefits	0							
082	3	Occupational Therapy - Agency Staff	0							
082	4	Occupational Therapy - Other - Nonlabor	0							
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	0							
083	3	Speech Pathology - Agency Staff	0							

Provider Name							Fiscal Period			Provider NPI		Adjustments
GILROY HEALTHCARE AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1831231877		8
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>MEMORANDUM ADJUSTMENT</u>												
1	Not Reported			8	210		Total Facility Group Health Insurance To include Group Health Insurance in the audit for informational purpose only. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 230			\$0	\$496,778	\$496,778

Provider Name							Fiscal Period	Provider NPI	Adjustments		
GILROY HEALTHCARE AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1831231877	8		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>											
2	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	\$66,465	\$1,826	\$68,291 *	
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	152,424	(1,826)	150,598 *	
							To reclassify oxygen-related expense not included in the routine rate to an ancillary cost center for proper 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	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	* \$68,291	\$2,277	\$70,568 *	
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 150,598	(2,277)	148,321 *	
							To reclassify alternating mattresses expense 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)				
4	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	* \$70,568	\$1,052	\$71,620	
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 148,321	(1,052)	147,269 *	
							To reclassify oxygen-related expense not included in the routine rate to an ancillary cost center for proper determination. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304 CCR Title 22, Section 51511(c)				

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
GILROY HEALTHCARE AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1831231877		8
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENTS TO REPORTED COSTS</u>										
5	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$3,405,927	(\$3,841)	\$3,402,086
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	1,027,143	(736)	1,026,407
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 147,269	(734)	146,535
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	674,664	5,311	679,975
							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			
6	10.5	025	4	8A-1	025	4	Depreciation - Equipment	\$33,321	\$429	\$33,750
							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 413.134 / 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
GILROY HEALTHCARE AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1831231877		8
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENT TO REPORTED PATIENT DAYS</u>										
7	4.1	5	2	1	15	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	38,746	(978)	37,768	

Provider Name							Fiscal Period			Provider NPI		Adjustments
GILROY HEALTHCARE AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1831231877		8
Report References												
Cost Report			Audit Report				Explanation of Audit Adjustments					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO OTHER MATTERS</u>												
8	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	\$5,072	\$5,072		