

**REPORT  
ON THE  
RATE SETTING AUDIT**

**MANORCARE HEALTH SERVICES (HEMET)  
HEMET, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1447298138**

**FISCAL PERIOD ENDED  
MAY 31, 2011**

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

**Section Chief: Robert G. Kwick  
Audit Supervisor: Delia Valencia  
Auditors: Ellada Kalachov/Laura Langston**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

July 31, 2013

Dean Shipman  
Divisional Director of Reimbursement  
HCR Manor Care Services, LLC  
333 North Summit Street  
Toledo, OH 43604

MANORCARE HEALTH SERVICES (HEMET)  
NATIONAL PROVIDER IDENTIFIER (NPI) 1447298138  
FISCAL PERIOD ENDED MAY 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 was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data reports, prior fiscal period's Medi-Cal program audit report, and Medicare audit report for the current fiscal period, if applicable and available.

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$16,192, 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.

Dean Shipman  
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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 Rates 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—Sacramento at (916) 650-6994.

**Original Signed By**

Robert G. Kwick, Chief  
Audits Section—Sacramento  
Financial Audits Branch

Certified

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

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility No.:  
206334012

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	\$ 6,225,495	\$ 107.19
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,152,266	\$ 19.84
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 1,032,665	\$ 17.78
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 972,959	\$ 16.75
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 69,425	\$ 1.20
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 40,028	\$ 0.69
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 66,962	\$ 1.15
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 496,186	\$ 8.54
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 1,010,499	\$ 17.40
11	Cost of Routine Service/Audited Total Costs	\$ 11,832,821.00	\$ 11,066,486	\$ 190.55
12	Total Patient Days (Adj 14 )	57,983	58,077	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 204.07	\$ 190.55	
14	Overpayments (Adj 15,16,17 )	\$ 0	\$ 16,192	
15	Medi-Cal Days (Adj 13 )	21,433	21,363	
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:**  
MANORCARE HEALTH SERVICES (HEMET)

**Fiscal Period:**  
JUNE 1, 2010 THROUGH MAY 31, 2011

**Provider NPI:**  
1447298138

**OSHPD Facility No.:**  
206334012

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:**  
MANORCARE HEALTH SERVICES (HEMET)

**Fiscal Period:**  
JUNE 1, 2010 THROUGH MAY 31, 2011

**Provider NPI:**  
1447298138

**OSHPD Facility No.:**  
206334012

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	\$ 240,490	\$ 240,490		
160	Activities	133,603		\$ 133,603	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	<b>ANCILLARY SERVICES</b>				
075	Patient Supplies	28,714	0	0	28,714
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	1,390,455	0	0	1,390,455
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	831,258	0	0	831,258
083	Speech Pathology	128,493	0	0	128,493
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	5,851,402	240,490	133,603	6,225,495 *
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	17,908	0	0	17,908
145	Other Nonreimbursable	63,141	0	0	63,141
	<b>TOTAL</b>	<b>\$ 8,685,464</b>	<b>\$ 240,490</b>	<b>\$ 133,603</b>	<b>\$ 8,685,464</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 82,049	\$ 82,049										
010	Housekeeping	219,226	562	\$ 219,788									
060	Laundry and Linen	146,151	5,388	14,532	\$ 166,071								
065	Dietary	572,462	9,663	26,064	0	\$ 608,189							
155	Social Services	N/A	560	1,511	0	0	\$ 2,072						
160	Activities	N/A	2,522	6,801	0	0	0	\$ 9,323					
165	Administration	N/A	4,836	13,043	0	0	0	0		\$ 17,879	\$ 17,879		
166	Medical Records	107,061	0	0	0	0	0	0		107,061		\$ 107,061	
170	Inservice Education - Nursing	91,172	0	0	0	0	0	0	\$ 91,172				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		2,544	6,863	0	0	0	0	0	9,407	636	3,808	\$ 13,851
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	3	3
080	Physical Therapy		2,057	5,547	0	0	0	0	0	7,604	1,886	11,296	20,787
081	Respiratory Therapy		0	0	0	0	0	0	0	0	11	68	79
082	Occupational Therapy		1,166	3,146	0	0	0	0	0	4,312	1,129	6,762	12,203
083	Speech Pathology		479	1,293	0	0	0	0	0	1,773	181	1,085	3,039
085	Pharmacy		0	0	0	0	0	0	0	0	1,133	6,786	7,920
090	Laboratory		0	0	0	0	0	0	0	0	226	1,354	1,580
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	537	3,213	3,749
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		51,871	139,907	166,071	608,189	2,072	9,323	91,172	1,068,604	11,972	71,690	1,152,266 *
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		401	1,080	0	0	0	0	0	1,481	35	212	1,728
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	131	784	915
	<b>TOTAL</b>	<b>\$ 1,218,121</b>	<b>\$ 82,049</b>	<b>\$ 219,788</b>	<b>\$ 166,071</b>	<b>\$ 608,189</b>	<b>\$ 2,072</b>	<b>\$ 9,323</b>	<b>\$ 91,172</b>	<b>\$ 1,093,181</b>	<b>\$ 17,879</b>	<b>\$ 107,061</b>	<b>\$ 1,218,121</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 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	\$ 436,806	\$ 436,806										
010	Housekeeping	44,125	2,994	\$ 47,119									
060	Laundry and Linen	38,898	28,683	3,115	\$ 70,696								
065	Dietary	445,646	51,444	5,588	0	\$ 502,677							
155	Social Services	0	2,983	324	0	0	\$ 3,307						
160	Activities	23,113	13,424	1,458	0	0	0	\$ 37,995					
165	Administration	N/A	25,744	2,796	0	0	0	0		\$ 28,540	\$ 28,540		
166	Medical Records	9,976	0	0	0	0	0	0		9,976		\$ 9,976	
170	Inservice Education - Nursing	0	0	0	0	0	0	0	\$ -				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	404,495	13,546	1,471	0	0	0	0	0	419,512	1,015	355	\$ 420,882
077	Specialized Support Surfaces	353	0	0	0	0	0	0	0	353	1	0	354
080	Physical Therapy	25,466	10,949	1,189	0	0	0	0	0	37,605	3,011	1,053	41,669
081	Respiratory Therapy	8,790	0	0	0	0	0	0	0	8,790	18	6	8,814
082	Occupational Therapy	17,872	6,209	674	0	0	0	0	0	24,756	1,803	630	27,189
083	Speech Pathology	801	2,552	277	0	0	0	0	0	3,631	289	101	4,021
085	Pharmacy	880,095	0	0	0	0	0	0	0	880,095	1,809	632	882,536
090	Laboratory	175,568	0	0	0	0	0	0	0	175,568	361	126	176,055
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	416,676	0	0	0	0	0	0	0	416,676	857	299	417,832
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	86,059	276,144	29,994	70,696	502,677	3,307	37,995	0	1,006,873	19,111	6,680	1,032,665 *
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	2,132	232	0	0	0	0	0	2,364	56	20	2,440
145	Other Nonreimbursable	38,597	0	0	0	0	0	0	0	38,597	209	73	38,879
	<b>TOTAL</b>	<b>\$ 3,053,336</b>	<b>\$ 436,806</b>	<b>\$ 47,119</b>	<b>\$ 70,696</b>	<b>\$ 502,677</b>	<b>\$ 3,307</b>	<b>\$ 37,995</b>	<b>\$ -</b>	<b>\$ 3,014,820</b>	<b>\$ 28,540</b>	<b>\$ 9,976</b>	<b>\$ 3,053,336</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 1,082,490	93%							
	Property Tax (line 40)	77,241	7%	\$ 1,159,731						
005	Plant Operations and Maintenance			35,435	\$ 35,435					
010	Housekeeping			7,707	243	\$ 7,950				
060	Laundry and Linen			73,827	2,327	526	\$ 76,679			
065	Dietary			132,411	4,173	943	0	\$ 137,527		
155	Social Services			7,678	242	55	0	0	\$ 7,975	
160	Activities			34,553	1,089	246	0	0	0	\$ 35,888
165	Administration			66,262	2,088	472	0	0	0	0
166	Medical Records			0	0	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			34,866	1,099	248	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			28,183	888	201	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			15,983	504	114	0	0	0	0
083	Speech Pathology			6,569	207	47	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			710,769	22,401	5,060	76,679	137,527	7,975	35,888
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			5,489	173	39	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,159,731</b>	<b>100%</b>	<b>\$ 1,159,731</b>	<b>\$ 35,435</b>	<b>\$ 7,950</b>	<b>\$ 76,679</b>	<b>\$ 137,527</b>	<b>\$ 7,975</b>	<b>\$ 35,888</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 93% Of Total	Property Tax 7% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 1,082,490	93%							
	Property Tax (line 40)	77,241	7%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 68,822	\$ 68,822				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	36,213	2,448	0	\$ 38,661	\$ 36,086	\$ 2,575
077	Specialized Support Surfaces			0	0	2	0	2	2	0
080	Physical Therapy			0	29,272	7,261	0	36,533	34,100	2,433
081	Respiratory Therapy			0	0	44	0	44	41	3
082	Occupational Therapy			0	16,600	4,347	0	20,947	19,552	1,395
083	Speech Pathology			0	6,823	698	0	7,521	7,020	501
085	Pharmacy			0	0	4,362	0	4,362	4,072	291
090	Laboratory			0	0	870	0	870	812	58
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	2,065	0	2,065	1,928	138
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	996,300	46,085	0	1,042,385	972,959	69,425
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	5,701	136	0	5,837	5,448	389
145	Other Nonreimbursable			0	0	504	0	504	471	34
	<b>TOTAL</b>	\$ 1,159,731	100%	\$ -	\$ 1,090,909	\$ 68,822	\$ -	\$ 1,159,731	\$ 1,082,490	\$ 77,241

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 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. 63% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 4% of Total	Quality Assur. Fees 31% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 6,692												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,502,368												
	Total Costs Allocable as Administration	1,509,060	63%											
167	CDPH Licensing Fees	59,777	2%											
168	Professional Liability Insurance	100,000	4%											
169	Quality Assurance Fees	740,995	31%											
174	Caregiver Training	0	0%											
	Total	2,409,832	100%						\$ 2,409,832					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ 28,714	\$ 9,407	\$ 419,512	\$ 36,213	\$ 493,847	85,714	\$ 53,675	\$ 2,126	\$ 3,557	\$ 26,356	\$ -
077	Specialized Support Surfaces			0	0	353	0	353	61	38	2	3	19	0
080	Physical Therapy			1,390,455	7,604	37,605	29,272	1,464,936	254,261	159,220	6,307	10,551	78,182	0
081	Respiratory Therapy			0	0	8,790	0	8,790	1,526	955	38	63	469	0
082	Occupational Therapy			831,258	4,312	24,756	16,600	876,926	152,203	95,311	3,775	6,316	46,801	0
083	Speech Pathology			128,493	1,773	3,631	6,823	140,719	24,424	15,294	606	1,014	7,510	0
085	Pharmacy			0	0	880,095	0	880,095	152,753	95,655	3,789	6,339	46,970	0
090	Laboratory			0	0	175,568	0	175,568	30,472	19,082	756	1,265	9,370	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	416,676	0	416,676	72,320	45,288	1,794	3,001	22,238	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			6,225,495	1,068,604	1,006,873	996,300	9,297,272	1,613,675	1,010,499	40,028	66,962	496,186	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			17,908	1,481	2,364	5,701	27,454	4,765	2,984	118	198	1,465	0
145	Other Nonreimbursable			63,141	0	38,597	0	101,738	17,658	11,058	438	733	5,430	0
	<b>SUBTOTAL</b>	\$ 2,409,832		\$ 8,685,464	\$ 1,093,181	\$ 3,014,820	\$ 1,090,909	\$ 13,884,374	\$ 2,409,832					
	Total Administrative Costs							\$ 2,409,832		\$ 1,509,060	\$ 59,777	\$ 100,000	\$ 740,995	\$ -
	Unit Cost Multiplier							0.17356433						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 124,940	\$ 38,516	\$ 68,822	\$ 232,278							
	<b>TOTAL FACILITY COSTS</b>							\$ 16,526,484						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 10 )	Plant Ops (SQ FT) 5 (Adj 10 )	Hskpng (SQ FT) 10 (Adj 10 )	Laundry (LBS) 60 (Adj 11 )	Dietary (MEALS) 65 (Adj 12 )	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	1,246									
010	Housekeeping	271	271								
060	Laundry and Linen	2,596	2,596	2,596							
065	Dietary	4,656	4,656	4,656							
155	Social Services	270	270	270							
160	Activities	1,215	1,215	1,215							
165	Administration	2,330	2,330	2,330							
166	Medical Records										
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	1,226	1,226	1,226						493,847	493,847
077	Specialized Support Surfaces									353	353
080	Physical Therapy	991	991	991						1,464,936	1,464,936
081	Respiratory Therapy									8,790	8,790
082	Occupational Therapy	562	562	562						876,926	876,926
083	Speech Pathology	231	231	231						140,719	140,719
085	Pharmacy									880,095	880,095
090	Laboratory									175,568	175,568
095	Home Health Services									0	0
100	Other Ancillary Services									416,676	416,676
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	24,993	24,993	24,993	383,047	172,674	5,937,461	5,937,461	5,937,461	9,297,272	9,297,272
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	193	193	193						27,454	27,454
145	Other Nonreimbursable									101,738	101,738
	<b>TOTAL STATISTICS</b>	<b>40,780</b>	<b>39,534</b>	<b>39,263</b>	<b>383,047</b>	<b>172,674</b>	<b>5,937,461</b>	<b>5,937,461</b>	<b>5,937,461</b>	<b>13,884,374</b>	<b>13,884,374</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 240,490	\$ 133,603			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.040503845	0.022501706			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 82,049	\$ 219,788	\$ 166,071	\$ 608,189	\$ 2,072	\$ 9,323	\$ 91,172	\$ 17,879	\$ 107,061
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		2.07540345	5.59785127	0.43355194	3.52217864	0.00034893	0.00157020	0.01535539	0.00128768	0.00771090
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 436,806	\$ 47,119	\$ 70,696	\$ 502,677	\$ 3,307	\$ 37,995	\$ -	\$ 28,540	\$ 9,976
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		11.04886933	1.20009280	0.18456301	2.91113409	0.00055701	0.00639928	0.00000000	0.00205555	0.00071851
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 1,159,731	\$ 35,435	\$ 7,950	\$ 76,679	\$ 137,527	\$ 7,975	\$ 35,888	\$ -	\$ 68,822	\$ -
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	28.43871996	0.89630812	0.20247543	0.20018264	0.79645237	0.00134319	0.00604435	0.00000000	0.00495682	0.00000000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

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	\$ 64,262	\$ 0	\$ 64,262	(Sch 3)
005	.20-.39	Fringe Benefits	6200	17,787	0	17,787	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	436,806	0	436,806	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 518,855	\$ 0	\$ 518,855	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 0	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300	0	0	0	(Sch 3)
010	.79	Agency Staff	6300	219,226	0	219,226	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	44,125	0	44,125	(Sch 4)
010		Housekeeping - Total	6300	\$ 263,351	\$ 0	\$ 263,351	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 457,456	\$ 0	\$ 457,456	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	0	0	0	(Sch 5)
025		Depreciation: Equipment	7140	187,730	0	187,730	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	139,002	0	139,002	(Sch 5)
040		Property Taxes	7300	77,241	0	77,241	(Sch 5)
045		Property Insurance	7400	6,692	0	6,692	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	0	298,302	298,302	(Sch 6)
055		Interest - Other	7600	\$ 298,302	\$ (298,302)	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,948,629	\$ 0	\$ 1,948,629	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 0	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400	0	0	0	(Sch 3)
060	.79	Agency Staff	6400	146,151	0	146,151	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	38,898	0	38,898	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 185,049	\$ 0	\$ 185,049	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 447,792	\$ 0	\$ 447,792	(Sch 3)
065	.20-.39	Fringe Benefits	6500	124,670	0	124,670	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	445,646	0	445,646	(Sch 4)
065		Dietary - Total	6500	\$ 1,018,108	\$ 0	\$ 1,018,108	
070		Provision for Bad Debts	7700	\$ 0	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 22,514	\$ 0	\$ 22,514	(Sch 2)
075	.20-.39	Fringe Benefits	8100	6,200	0	6,200	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	404,495	0	404,495	(Sch 4)
075		Patient Supplies - Total	8100	\$ 433,209	\$ 0	\$ 433,209	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	353	0	353	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 353	\$ 0	\$ 353	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

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	\$ 1,072,952	\$ 0	\$ 1,072,952	(Sch 2)
080	.20-.39	Fringe Benefits	8200	297,675	0	297,675	(Sch 2)
080	.79	Agency Staff	8200	19,828	0	19,828	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	25,466	0	25,466	(Sch 4)
080		Physical Therapy - Total	8200	\$ 1,415,921	\$ 0	\$ 1,415,921	
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	8,790	0	8,790	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 8,790	\$ 0	\$ 8,790	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 607,430	\$ 0	\$ 607,430	(Sch 2)
082	.20-.39	Fringe Benefits	8250	168,352	0	168,352	(Sch 2)
082	.79	Agency Staff	8250	55,476	0	55,476	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	17,872	0	17,872	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 849,130	\$ 0	\$ 849,130	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 75,118	\$ 0	\$ 75,118	(Sch 2)
083	.20-.39	Fringe Benefits	8280	21,395	0	21,395	(Sch 2)
083	.79	Agency Staff	8280	31,980	0	31,980	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	801	0	801	(Sch 4)
083		Speech Pathology - Total	8280	\$ 129,294	\$ 0	\$ 129,294	
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	880,095	0	880,095	(Sch 4)
085		Pharmacy - Total	8300	\$ 880,095	\$ 0	\$ 880,095	
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	175,568	0	175,568	(Sch 4)
090		Laboratory - Total	8400	\$ 175,568	\$ 0	\$ 175,568	
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	416,676	0	416,676	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 416,676	\$ 0	\$ 416,676	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

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		\$ 4,309,036	\$ 0	\$ 4,309,036	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 4,581,760	\$ 0	\$ 4,581,760	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,269,642	0	1,269,642	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	86,059	0	86,059	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 5,937,461	\$ 0	\$ 5,937,461	
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:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

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	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900	0	0	0 (Sch 2)
140	.49	Agency Staff	8900	17,908	0	17,908 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	0	0	0 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 17,908	\$ 0	\$ 17,908
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 49,741	\$ 49,741 (Sch 2)
145	.20-.39	Fringe Benefits	9100		13,400	13,400 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		38,597	38,597 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 101,738	\$ 101,738
146		<b>Subtotal 105 - 145</b>		\$ 5,955,369	\$ 101,738	\$ 6,057,107
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 190,068	\$ 0	\$ 190,068 (Sch 2)
155	.20-.39	Fringe Benefits	6600	50,422	0	50,422 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	0	0	0 (Sch 4)
155		Social Services - Total	6600	\$ 240,490	\$ 0	\$ 240,490

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

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	\$ 104,502	\$ 0	\$ 104,502	(Sch 2)
160	.20-.39	Fringe Benefits	6700	29,101	0	29,101	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	23,113	0	23,113	(Sch 4)
160		Activities - Total	6700	\$ 156,716	\$ 0	\$ 156,716	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 711,550	\$ (84,724)	\$ 626,826	(Sch 6)
165	.20-.39	Fringe Benefits	6900	164,958	(21,889)	143,069	(Sch 6)
165	.49	Agency Staff	6900	39,046	0	39,046	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	1,031,560	(338,133)	693,427	(Sch 6)
165		Administration - Total	6900	\$ 1,947,114	\$ (444,746)	\$ 1,502,368	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 83,729	\$ 0	\$ 83,729	(Sch 3)
166	.20-.39	Fringe Benefits	6900	23,332	0	23,332	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	9,976	0	9,976	(Sch 4)
166		Medical Records - Total	6900	\$ 117,037	\$ 0	\$ 117,037	
167		CDPH Licensing Fees	6900	\$ 59,777	\$ 0	\$ 59,777	(Sch 6)
168		Professional Liability Insurance	6900	\$ 715,489	\$ (615,489)	\$ 100,000	(Sch 6)
169		Quality Assurance Fees	6900	\$ 740,995	\$ 0	\$ 740,995	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 75,700	\$ 0	\$ 75,700	(Sch 3)
170	.20-.39	Fringe Benefits	6800	15,472	0	15,472	(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	\$ 91,172	\$ 0	\$ 91,172	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 4,068,790	\$ (1,060,235)	\$ 3,008,555	
200		<b>Total</b>		\$ 17,484,981	\$ (958,497)	\$ 16,526,484	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 836,961	
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\* For informational purposes only, this amount is included in various cost centers above.

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
1447298138

OSHPD Facility Number:  
206334012

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5-8	AUDIT ADJ 9	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	0							
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	298,302	298,302						
055	4	Interest - Other	(298,302)	(298,302)						
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	0							
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:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
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OSHPD Facility Number:  
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Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5-8	AUDIT ADJ 9	AUDIT ADJ	AUDIT ADJ
083	4	Speech Pathology - Other - Nonlabor	0							
085	1	Pharmacy - Salaries and Wages	0							
085	2	Pharmacy - Fringe Benefits	0							
085	3	Pharmacy - Agency Staff	0							
085	4	Pharmacy - Other - Nonlabor	0							
090	1	Laboratory - Salaries and Wages	0							
090	2	Laboratory - Fringe Benefits	0							
090	3	Laboratory - Agency Staff	0							
090	4	Laboratory - Other - Nonlabor	0							
095	1	Home Health Services - Salaries and Wages	0							
095	2	Home Health Services - Fringe Benefits	0							
095	3	Home Health Services - Agency Staff	0							
095	4	Home Health Services - Other - Nonlabor	0							
100	1	Other Ancillary Services - Salaries and Wages	0							
100	2	Other Ancillary Services - Fringe Benefits	0							
100	3	Other Ancillary Services - Agency Staff	0							
100	4	Other Ancillary Services - Other - Nonlabor	0							
101	1	Subacute Care Ancillary Services - Salaries and Wages	0							
101	2	Subacute Care Ancillary Services - Fringe Benefits	0							
101	3	Subacute Care Ancillary Services - Agency Staff	0							
101	4	Subacute Care Ancillary Services - Other - Nonlabor	0							
102	1	Subacute Pediatric Ancillary Services - Salaries and Wages	0							
102	2	Subacute Pediatric Ancillary Services - Fringe Benefits	0							
102	3	Subacute Pediatric Ancillary Services - Agency Staff	0							
102	4	Subacute Pediatric Ancillary Services - Other - Nonlabor	0							
105	1	Skilled Nursing Care - Salaries and Wages	0							
105	2	Skilled Nursing Care - Fringe Benefits	0							
105	3	Skilled Nursing Care - Agency Staff	0							
105	4	Skilled Nursing Care - Other - Nonlabor	0							
110	1	Intermediate Care - Salaries and Wages	0							
110	2	Intermediate Care - Fringe Benefits	0							
110	3	Intermediate Care - Agency Staff	0							
110	4	Intermediate Care - Other - Nonlabor	0							
115	1	Mentally Disordered Care - Salaries and Wages	0							
115	2	Mentally Disordered Care - Fringe Benefits	0							
115	3	Mentally Disordered Care - Agency Staff	0							
115	4	Mentally Disordered Care - Other - Nonlabor	0							
120	1	Developmentally Disabled Care - Salaries and Wages	0							
120	2	Developmentally Disabled Care - Fringe Benefits	0							
120	3	Developmentally Disabled Care - Agency Staff	0							
120	4	Developmentally Disabled Care - Other - Nonlabor	0							
125	1	Subacute Care - Salaries and Wages	0							
125	2	Subacute Care - Fringe Benefits	0							
125	3	Subacute Care - Agency Staff	0							
125	4	Subacute Care - Other - Nonlabor	0							
126	1	Subacute Care - Pediatric - Salaries and Wages	0							
126	2	Subacute Care - Pediatric - Fringe Benefits	0							
126	3	Subacute Care - Pediatric - Agency Staff	0							
126	4	Subacute Care - Pediatric - Other - Nonlabor	0							

Provider Name:  
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Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5-8	AUDIT ADJ 9	AUDIT ADJ	AUDIT ADJ
128	1	Transitional Inpatient Care - Salaries and Wages	0							
128	2	Transitional Inpatient Care - Fringe Benefits	0							
128	3	Transitional Inpatient Care - Agency Staff	0							
128	4	Transitional Inpatient Care - Other - Nonlabor	0							
130	1	Hospice Inpatient Care - Salaries and Wages	0							
130	2	Hospice Inpatient Care - Fringe Benefits	0							
130	3	Hospice Inpatient Care - Agency Staff	0							
130	4	Hospice Inpatient Care - Other - Nonlabor	0							
135	1	Other Routine Services - Salaries and Wages	0							
135	2	Other Routine Services - Fringe Benefits	0							
135	3	Other Routine Services - Agency Staff	0							
135	4	Other Routine Services - Other - Nonlabor	0							
139	1	Residential Care - Salaries and Wages	0							
139	2	Residential Care - Fringe Benefits	0							
139	3	Residential Care - Agency Staff	0							
139	4	Residential Care - Other - Nonlabor	0							
140	1	Beauty and Barber - Salaries and Wages	0							
140	2	Beauty and Barber - Fringe Benefits	0							
140	3	Beauty and Barber - Agency Staff	0							
140	4	Beauty and Barber - Other - Nonlabor	0							
145	1	Other Nonreimbursable - Salaries and Wages	49,741		49,741					
145	2	Other Nonreimbursable - Fringe Benefits	13,400		13,400					
145	3	Other Nonreimbursable - Agency Staff	0							
145	4	Other Nonreimbursable - Other - Nonlabor	38,597		38,597					
155	1	Social Services - Salaries and Wages	0							
155	2	Social Services - Fringe Benefits	0							
155	3	Social Services - Agency Staff	0							
155	4	Social Services - Other - Nonlabor	0							
160	1	Activities - Salaries and Wages	0							
160	2	Activities - Fringe Benefits	0							
160	3	Activities - Agency Staff	0							
160	4	Activities - Other - Nonlabor	0							
165	1	Administration - Salaries and Wages	(84,724)		(49,741)	(34,983)				
165	2	Administration - Fringe Benefits	(21,889)		(13,400)	(8,489)				
165	3	Administration - Agency Staff	0							
165	4	Administration - Other - Nonlabor	(338,133)		(38,597)		(299,536)			
166	1	Medical Records - Salaries and Wages	0							
166	2	Medical Records - Fringe Benefits	0							
166	3	Medical Records - Agency Staff	0							
166	4	Medical Records - Other - Nonlabor	0							
167	4	CDPH Licensing Fees	0							
168	4	Professional Liability Insurance	(615,489)					(615,489)		
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	0							
170	3	Inservice Education - Nursing - Agency Staff	0							
170	4	Inservice Education - Nursing - Other - Nonlabor	0							
174	1	Caregiver Training - Salaries and Wages	0							
174	2	Caregiver Training - Fringe Benefits	0							

Provider Name:  
MANORCARE HEALTH SERVICES (HEMET)

Provider NPI:  
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206334012

Fiscal Period:  
JUNE 1, 2010 THROUGH MAY 31, 2011

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5-8	AUDIT ADJ 9	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff	0							
174	4	Caregiver Training - Other - Nonlabor	0							
200		Total	(\$958,497)	0	0	(43,472)	(299,536)	(615,489)	0	0
			(To Sch 8)							

Provider Name							Fiscal Period			Provider NPI		Adjustments
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011			1447298138		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						
<u>MEMORANDUM ADJUSTMENT</u>												
1	NA			8	210		Group Health Insurance To include Group Health Insurance in the audit for information purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Section 2300 and 2304			\$0	\$836,961	\$836,961

Provider Name							Fiscal Period	Provider NPI		Adjustments	
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011	1447298138		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	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment	\$0	\$298,302	\$298,302	
	10.5	055	4	8A-1	055	4	Interest - Other	298,302	(298,302)	0	
							To reclassify capital related costs for proper cost determination. 42 CFR 413.5, 413.20, and 413.24 CMS Pub. 15-1, Sections 2300, 2306, and 2307 CMS Pub. 15-2, Section 2408 W&I Code 14126.023(d)				
3	10.5	145	1	8A-1	145	1	Other Nonreimbursable - Salaries and Wages	\$0	\$49,741	\$49,741	
	10.5	145	2	8A-1	145	2	Other Nonreimbursable - Fringe Benefits	0	13,400	13,400	
	10.5	145	4	8A-1	145	4	Other Nonreimbursable - Other - Nonlabor	0	38,597	38,597	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	711,550	(49,741)	661,809 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	164,958	(13,400)	151,558 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	1,031,560	(38,597)	992,963 *	
							To establish marketing expense as a nonreimbursable cost center in conjunction with adjustment 8. 42 CFR 413.5, 413.9, and 413.24 CMS Pub. 15-1, Sections 2136.2, 2304, and 2328				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011	1447298138		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 COSTS</u></b>											
4	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	*	\$661,809	(\$34,983)	\$626,826
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	151,558	(8,489)	143,069
							To adjust owner compensation based on the DHCS survey. 42 CFR 413.102 CMS Pub. 15-1, Sections 332, 900-907, 1002, 2102.1, 2142, 2144-2146 CCR, Title 22, Sections 52000(a) and 52504				
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$992,963		
5							To eliminate legal expense due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)			(\$28,304)	
6							To adjust reported home office costs to agree with the HCR Manor Care Services, LLC Home Office Audit Report for fiscal period ended December 31, 2010. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304			(306,128)	
7							To eliminate patient telephone, television or radio costs. 42 CFR 413.9(c)(3), 413.24, and 413.50 CMS Pub. 15-1, Sections 2106.1 and 2304			(3,701)	
8							To reverse the provider's adjustment of non-allowable advertising expense in conjunction with adjustment 3. 42 CFR 413.5, 413.9, and 413.24 CMS Pub. 15-1, Sections 2136.2, 2304, and 2328			<u>38,597</u> (\$299,536)	\$693,427

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011		1447298138		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>											
9	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To eliminate self insured liability insurance expense and adjust the deductible to the lower of \$100,000 limitation or paid claims 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.1, 2162, 2162.1, 2162.2, 2162.5, 2162.6, 2162.7, 2300, 2304, and 2305	\$715,489	(\$615,489)	\$100,000	

Provider Name							Fiscal Period		Provider NPI		Adjustments
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011		1447298138		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>											
10	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	0	1,246	1,246	
	10.7	010	1,2	7	010	N/A	Housekeeping	0	271	271	
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	0	2,596	2,596	
	10.7	065	1,2,3	7	065	N/A	Dietary	0	4,656	4,656	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	0	1,226	1,226	
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	0	991	991	
	10.7	082	1,2,3	7	082	N/A	Occupational Therapy	0	562	562	
	10.7	083	1,2,3	7	083	N/A	Speech Pathology	0	231	231	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	0	24,993	24,993	
	10.7	140	1,2,3	7	140	N/A	Beauty and Barber	0	193	193	
	10.7	155	1,2,3	7	155	N/A	Social Services	0	270	270	
	10.7	160	1,2,3	7	160	N/A	Activities	0	1,215	1,215	
	10.7	165	1,2,3	7	165	N/A	Administration	0	2,330	2,330	
	10.7	175	1	7	N/A	N/A	Total Square Feet - Capital	0	40,780	40,780	
	10.7	175	2	7	N/A	N/A	Total Square Feet - Plant Operations and Maintenance	0	39,534	39,534	
	10.7	175	3	7	N/A	N/A	Total Square Feet - Housekeeping	0	39,263	39,263	
11	10.7	105	4	7	105	N/A	Skilled Nursing Care (Laundry Pounds)	0	383,047	383,047	
	10.7	175	4	7	N/A	N/A	Total Laundry Pounds - Laundry	0	383,047	383,047	
12	10.7	105	5	7	105	N/A	Skilled Nursing Care (Meals Served)	0	172,674	172,674	
	10.7	175	5	7	N/A	N/A	Total Meals Served - Dietary	0	172,674	172,674	
To adjust reported statistics to agree with the provider's records. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306											

Provider Name							Fiscal Period	Provider NPI		Adjustments
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011	1447298138		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 REPORTED PATIENT DAYS</u></b>										
13	4.1	5	2	1	15	Medi-Cal Days To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: June 1, 2010 through May 31, 2011 Payment Period: June 1, 2010 through October 1, 2012 Report Date: October 15, 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	21,433	(70)	21,363	
14	4.1	5	6	1	12	Total Patient Days To adjust total patient days to agree with the provider's patient census reports. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300, and 2304	57,983	94	58,077	

Provider Name							Fiscal Period			Provider NPI		Adjustments
MANORCARE HEALTH SERVICES (HEMET)							JUNE 1, 2010 THROUGH MAY 31, 2011			1447298138		17
Report References												
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
<b><u>ADJUSTMENTS TO OTHER MATTERS</u></b>												
	NA			1	14		Overpayments			\$0		
15							To recover Medi-Cal overpayments for Share of Cost due to lack of documentation. 42 CFR 413.20, 413.24, and 431.107 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51476 W&I Code 14124.2(b)				\$5,536	
16							To recover Medi-Cal overpayments for Share of Cost due to insufficient documentation. 42 CFR 413.20, 413.24, and 431.107 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51476				7,215	
17							To recover outstanding Medi-Cal credit balances. CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1				3,441	\$16,192
											\$16,192	\$16,192