

**REPORT  
ON THE  
RATE SETTING AUDIT**

**LODI SKILLED NURSING SERVICES, INC  
LODI, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1942256391**

**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: Henry Igboke  
Auditor: May Liu**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

Date: July 22, 2013

Spencer Olsen, Treasurer  
North American Health Care, Inc.  
3 Monarch Bay Plaza, Suite 203  
Dana Point, CA 92629

LODI SKILLED NURSING SERVICES, INC.  
NATIONAL PROVIDER IDENTIFIER 1942256391  
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 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 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 Schedule

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.

Spencer Olsen  
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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 A. Varho)**

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

Certified

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

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility No.:  
206390873

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 2,445,178	\$ 124.15
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 576,496	\$ 29.27
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 625,396	\$ 31.75
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 218,288	\$ 11.08
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 28,923	\$ 1.47
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 9,511	\$ 0.48
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 29,248	\$ 1.48
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 172,169	\$ 8.74
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 716,052	\$ 36.36
11	Cost of Routine Service/Audited Total Costs	\$ 4,839,350	\$ 4,821,262	\$ 244.78
12	Total Patient Days (Adj )	19,696	19,696	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 245.70	\$ 244.78	
14	Overpayments (Adj )	\$ 0	\$ 0	
15	Medi-Cal Days (Adj 2)	5,345	4,983	
16	Medi-Cal Managed Care Days (Adj 3)		362	
<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:**  
LODI SKILLED NURSING SERVICE, INC.

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

**Provider NPI:**  
1942256391

**OSHPD Facility No.:**  
206390873

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:**  
LODI SKILLED NURSING SERVICE, INC.

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

**Provider NPI:**  
1942256391

**OSHPD Facility No.:**  
206390873

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
	<b>GENERAL SERVICES</b>				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 54,883	\$ 54,883		
160	Activities	136,170		\$ 136,170	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	<b>ANCILLARY SERVICES</b>				
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	787,623	0	0	787,623
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	451,720	0	0	451,720
083	Speech Pathology	83,068	0	0	83,068
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	<b>ROUTINE SERVICES</b>				
105	Skilled Nursing Care	2,254,125	54,883	136,170	2,445,178 *
110	Intermediate Care	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0 *
125	Subacute Care	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0 *
128	Transitional Inpatient Care	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0 *
135	Other Routine Services	0	0	0	0 *
	<b>NONREIMBURSABLE</b>				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 3,767,589</b>	<b>\$ 54,883</b>	<b>\$ 136,170</b>	<b>\$ 3,767,589</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 53,976	\$ 53,976										
010	Housekeeping	110,338	37	\$ 110,375									
060	Laundry and Linen	0	1,929	3,948	\$ 5,877								
065	Dietary	270,322	5,358	10,963	0	\$ 286,643							
155	Social Services	N/A	1,475	3,017	0	0	\$ 4,492						
160	Activities	N/A	2,335	4,778	0	0	0	\$ 7,112					
165	Administration	N/A	811	1,660	0	0	0	0		\$ 2,471	\$ 2,471		
166	Medical Records	130,768	639	1,308	0	0	0	0		132,715		\$ 132,715	
170	Inservice Education - Nursing	71,305	639	1,308	0	0	0	0	\$ 73,252				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		922	1,886	0	0	0	0	0	2,808	15	805	\$ 3,627
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,475	3,017	0	0	0	0	0	4,492	341	18,315	23,148
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		541	1,106	0	0	0	0	0	1,647	196	10,516	12,359
083	Speech Pathology		0	0	0	0	0	0	0	0	35	1,853	1,888
085	Pharmacy		98	201	0	0	0	0	0	299	193	10,364	10,856
090	Laboratory		0	0	0	0	0	0	0	0	47	2,543	2,590
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	56	3,026	3,082
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		37,080	75,876	5,877	286,643	4,492	7,112	73,252	490,331	1,575	84,590	576,496 *
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		639	1,308	0	0	0	0	0	1,947	13	703	2,662
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 636,709	\$ 53,976	\$ 110,375	\$ 5,877	\$ 286,643	\$ 4,492	\$ 7,112	\$ 73,252	\$ 501,524	\$ 2,471	\$ 132,715	\$ 636,709

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 203,169	\$ 203,169										
010	Housekeeping	10,166	139	\$ 10,305									
060	Laundry and Linen	78,710	7,262	369	\$ 86,340								
065	Dietary	157,027	20,167	1,024	0	\$ 178,217							
155	Social Services	69	5,550	282	0	0	\$ 5,901						
160	Activities	6,251	8,788	446	0	0	0	\$ 15,485					
165	Administration	N/A	3,053	155	0	0	0	0		\$ 3,208	\$ 3,208		
166	Medical Records	13,346	2,405	122	0	0	0	0		15,873		\$ 15,873	
170	Inservice Education - Nursing	0	2,405	122	0	0	0	0	\$ 2,527				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	25,035	3,469	176	0	0	0	0	0	28,680	19	96	\$ 28,796
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	15,600	5,550	282	0	0	0	0	0	21,432	443	2,191	24,065
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	13,151	2,035	103	0	0	0	0	0	15,289	254	1,258	16,801
083	Speech Pathology	0	0	0	0	0	0	0	0	0	45	222	266
085	Pharmacy	463,335	370	19	0	0	0	0	0	463,724	250	1,240	465,214
090	Laboratory	113,960	0	0	0	0	0	0	0	113,960	61	304	114,326
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	135,616	0	0	0	0	0	0	0	135,616	73	362	136,051
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	178,109	139,570	7,084	86,340	178,217	5,901	15,485	2,527	613,234	2,045	10,117	625,396 *
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	23,844	2,405	122	0	0	0	0	0	26,371	17	84	26,472
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,437,388</b>	<b>\$ 203,169</b>	<b>\$ 10,305</b>	<b>\$ 86,340</b>	<b>\$ 178,217</b>	<b>\$ 5,901</b>	<b>\$ 15,485</b>	<b>\$ 2,527</b>	<b>\$ 1,418,307</b>	<b>\$ 3,208</b>	<b>\$ 15,873</b>	<b>\$ 1,437,388</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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)	\$ 236,720	88%							
	Property Tax (line 40)	31,365	12%	\$ 268,085						
005	Plant Operations and Maintenance			1,578	\$ 1,578					
010	Housekeeping			182	1	\$ 183				
060	Laundry and Linen			9,526	56	7	\$ 9,589			
065	Dietary			26,454	157	18	0	\$ 26,628		
155	Social Services			7,281	43	5	0	0	\$ 7,329	
160	Activities			11,528	68	8	0	0	0	\$ 11,604
165	Administration			4,004	24	3	0	0	0	0
166	Medical Records			3,155	19	2	0	0	0	0
170	Inservice Education - Nursing			3,155	19	2	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			4,550	27	3	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			7,281	43	5	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			2,670	16	2	0	0	0	0
083	Speech Pathology			0	0	0	0	0	0	0
085	Pharmacy			485	3	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			183,082	1,084	126	9,589	26,628	7,329	11,604
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			3,155	19	2	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 268,085</b>	<b>100%</b>	<b>\$ 268,085</b>	<b>\$ 1,578</b>	<b>\$ 183</b>	<b>\$ 9,589</b>	<b>\$ 26,628</b>	<b>\$ 7,329</b>	<b>\$ 11,604</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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 88% Of Total	Property Tax 12% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 236,720	88%							
	Property Tax (line 40)	31,365	12%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 4,031	\$ 4,031				
166	Medical Records				3,176		\$ 3,176			
170	Inservice Education - Nursing			\$ 3,176						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	4,581	24	19	\$ 4,624	\$ 4,083	\$ 541
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	7,329	556	438	8,323	7,350	974
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	2,687	319	252	3,258	2,877	381
083	Speech Pathology			0	0	56	44	101	89	12
085	Pharmacy			0	489	315	248	1,051	928	123
090	Laboratory			0	0	77	61	138	122	16
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	92	72	164	145	19
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			3,176	242,617	2,569	2,024	247,211	218,288	28,923
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	3,176	21	17	3,214	2,838	376
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 268,085	100%	\$ 3,176	\$ 260,878	\$ 4,031	\$ 3,176	\$ 268,085	\$ 236,720	\$ 31,365

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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. 77% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 3% of Total	Quality Assur. Fees 19% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 6,524												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,116,896												
	Total Costs Allocable as Administration	1,123,420	77%											
167	CDPH Licensing Fees	14,922	1%											
168	Professional Liability Insurance	45,888	3%											
169	Quality Assurance Fees	270,118	19%											
174	Caregiver Training	0	0%											
	Total	1,454,348	100%						\$ 1,454,348					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 2,808	\$ 28,680	\$ 4,581	\$ 36,068	8,819	\$ 6,812	\$ 90	\$ 278	\$ 1,638	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			787,623	4,492	21,432	7,329	820,876	200,703	155,034	2,059	6,333	37,277	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			451,720	1,647	15,289	2,687	471,344	115,243	89,020	1,182	3,636	21,404	0
083	Speech Pathology			83,068	0	0	0	83,068	20,310	15,689	208	641	3,772	0
085	Pharmacy			0	299	463,724	489	464,512	113,572	87,730	1,165	3,583	21,094	0
090	Laboratory			0	0	113,960	0	113,960	27,863	21,523	286	879	5,175	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	135,616	0	135,616	33,158	25,613	340	1,046	6,158	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>														
105	Skilled Nursing Care			2,445,178	490,331	613,234	242,617	3,791,361	926,981	716,052	9,511	29,248	172,169	0
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,947	26,371	3,176	31,494	7,700	5,948	79	243	1,430	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,454,348		\$ 3,767,589	\$ 501,524	\$ 1,418,307	\$ 260,878	\$ 5,948,298	\$ 1,454,348					
	Total Administrative Costs							\$ 1,454,348		\$ 1,123,420	\$ 14,922	\$ 45,888	\$ 270,118	\$ -
	Unit Cost Multiplier							0.24449817						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 135,185	\$ 19,081	\$ 7,207	\$ 161,473							
	<b>TOTAL FACILITY COSTS</b>							\$ 7,564,119						

\*(To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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 Svcs (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	52									
010	Housekeeping	6	6								
060	Laundry and Linen	314	314	314							
065	Dietary	872	872	872							
155	Social Services	240	240	240							
160	Activities	380	380	380							
165	Administration	132	132	132							
166	Medical Records	104	104	104							
170	Inservice Education - Nursing	104	104	104							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	150	150	150						36,068	36,068
077	Specialized Support Surfaces									0	0
080	Physical Therapy	240	240	240						820,876	820,876
081	Respiratory Therapy									0	0
082	Occupational Therapy	88	88	88						471,344	471,344
083	Speech Pathology									83,068	83,068
085	Pharmacy	16	16	16						464,512	464,512
090	Laboratory									113,960	113,960
095	Home Health Services									0	0
100	Other Ancillary Services									135,616	135,616
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	6,035	6,035	6,035	74,898	58,736	2,432,234	2,432,234	2,432,234	3,791,361	3,791,361
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	104	104	104						31,494	31,494
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	<b>8,837</b>	<b>8,785</b>	<b>8,779</b>	<b>74,898</b>	<b>58,736</b>	<b>2,432,234</b>	<b>2,432,234</b>	<b>2,432,234</b>	<b>5,948,298</b>	<b>5,948,298</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 54,883	\$ 136,170			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.022564852	0.055985567			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 53,976	\$ 110,375	\$ 5,877	\$ 286,643	\$ 4,492	\$ 7,112	\$ 73,252	\$ 2,471	\$ 132,715
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		6.14410928	12.57260105	0.07846734	4.88019224	0.00184687	0.00292421	0.03011698	0.00041535	0.02231135
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 203,169	\$ 10,305	\$ 86,340	\$ 178,217	\$ 5,901	\$ 15,485	\$ 2,527	\$ 3,208	\$ 15,873
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		23.12680706	1.17379666	1.15277297	3.03420605	0.00242622	0.00636667	0.00103907	0.00053926	0.00266854
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 268,085	\$ 1,578	\$ 183	\$ 9,589	\$ 26,628	\$ 7,329	\$ 11,604	\$ 3,176	\$ 4,031	\$ 3,176
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	30.33665271	0.17956812	0.02085629	0.12802267	0.45335623	0.00301324	0.00477096	0.00130574	0.00067766	0.00053391

## SUMMARY OF AUDITED PROGRAM EXPENSES

## Provider Name:

LODI SKILLED NURSING SERVICE, INC.

## Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

## Provider NPI:

1942256391

## OSHPD Facility Number:

206390873

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	\$ 39,615	\$ 0	\$ 39,615	(Sch 3)
005	.20-.39	Fringe Benefits	6200	14,361	0	14,361	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	203,169	0	203,169	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 257,145	\$ 0	\$ 257,145	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 82,383	\$ 0	\$ 82,383	(Sch 3)
010	.20-.39	Fringe Benefits	6300	27,955	0	27,955	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	10,166	0	10,166	(Sch 4)
010		Housekeeping - Total	6300	\$ 120,504	\$ 0	\$ 120,504	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	131,357	0	131,357	(Sch 5)
025		Depreciation: Equipment	7140	81,675	0	81,675	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200		0	0	(Sch 5)
040		Property Taxes	7300	31,365	0	31,365	(Sch 5)
045		Property Insurance	7400	6,524	0	6,524	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	23,688	0	23,688	(Sch 6)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 652,258	\$ 0	\$ 652,258	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400		0	0	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	78,710	0	78,710	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 78,710	\$ 0	\$ 78,710	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 205,118	\$ 0	\$ 205,118	(Sch 3)
065	.20-.39	Fringe Benefits	6500	65,204	0	65,204	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	157,027	0	157,027	(Sch 4)
065		Dietary - Total	6500	\$ 427,349	\$ 0	\$ 427,349	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	25,035	0	25,035	(Sch 4)
075		Patient Supplies - Total	8100	\$ 25,035	\$ 0	\$ 25,035	
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:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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	\$ 667,373	\$ 0	\$ 667,373	(Sch 2)
080	.20-.39	Fringe Benefits	8200	120,250	0	120,250	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	15,600	0	15,600	(Sch 4)
080		Physical Therapy - Total	8200	\$ 803,223	\$ 0	\$ 803,223	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 368,819	\$ 0	\$ 368,819	(Sch 2)
082	.20-.39	Fringe Benefits	8250	82,901	0	82,901	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	13,151	0	13,151	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 464,871	\$ 0	\$ 464,871	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 70,024	\$ 0	\$ 70,024	(Sch 2)
083	.20-.39	Fringe Benefits	8280	13,044	0	13,044	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280		0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 83,068	\$ 0	\$ 83,068	
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	463,335	0	463,335	(Sch 4)
085		Pharmacy - Total	8300	\$ 463,335	\$ 0	\$ 463,335	
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	113,960	0	113,960	(Sch 4)
090		Laboratory - Total	8400	\$ 113,960	\$ 0	\$ 113,960	
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	135,616	0	135,616	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 135,616	\$ 0	\$ 135,616	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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		\$ 2,089,108	\$ 0	\$ 2,089,108	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,828,781	\$ 0	\$ 1,828,781	(Sch 2)
105	.20-.39	Fringe Benefits	6110	425,344	0	425,344	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	178,109	0	178,109	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,432,234	\$ 0	\$ 2,432,234	
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:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		<b>Other Nonreimbursable</b>				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900		0	0 (Sch 2)
140	.49	Agency Staff	8900		0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	23,844	0	23,844 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 23,844	\$ 0	\$ 23,844
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 2,456,078	\$ 0	\$ 2,456,078
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 44,915	\$ 0	\$ 44,915 (Sch 2)
155	.20-.39	Fringe Benefits	6600	9,968	0	9,968 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	69	0	69 (Sch 4)
155		Social Services - Total	6600	\$ 54,952	\$ 0	\$ 54,952

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
LODI SKILLED NURSING SERVICE, INC.

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

Provider NPI:  
1942256391

OSHPD Facility Number:  
206390873

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	\$ 107,216	\$ 0	\$ 107,216	(Sch 2)
160	.20-.39	Fringe Benefits	6700	28,954	0	28,954	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	6,251	0	6,251	(Sch 4)
160		Activities - Total	6700	\$ 142,421	\$ 0	\$ 142,421	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 429,656	\$ 0	\$ 429,656	(Sch 6)
165	.20-.39	Fringe Benefits	6900	108,508	0	108,508	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	590,179	(11,447)	578,732	(Sch 6)
165		Administration - Total	6900	\$ 1,128,343	\$ (11,447)	\$ 1,116,896	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 104,844	\$ 0	\$ 104,844	(Sch 3)
166	.20-.39	Fringe Benefits	6900	25,924	0	25,924	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	13,346	0	13,346	(Sch 4)
166		Medical Records - Total	6900	\$ 144,114	\$ 0	\$ 144,114	
167		CDPH Licensing Fees	6900	\$ 14,922	\$ 0	\$ 14,922	(Sch 6)
168		Professional Liability Insurance	6900	\$ 45,888	\$ 0	\$ 45,888	(Sch 6)
169		Quality Assurance Fees	6900	\$ 270,118	\$ 0	\$ 270,118	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 59,095	\$ 0	\$ 59,095	(Sch 3)
170	.20-.39	Fringe Benefits	6800	12,210	0	12,210	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 71,305	\$ 0	\$ 71,305	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 1,872,063	\$ (11,447)	\$ 1,860,616	
200		<b>Total</b>		\$ 7,575,566	\$ (11,447)	\$ 7,564,119	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 0	
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\* For informational purposes only, this amount is included in various cost centers above.









Provider Name							Fiscal Period		Provider NPI		Adjustments
LODI SKILLED NURSING SERVICES, INC.							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1942256391		3
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>ADJUSTMENT TO REPORTED COSTS</u></b>											
1	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust home office costs to agree with the filed North American Health Care, Inc. Home Office Cost Report for fiscal period ended December 31, 2011 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	\$590,179	(\$11,447)	\$578,732	

Provider Name							Fiscal Period			Provider NPI		Adjustments
LODI SKILLED NURSING SERVICES, INC.							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1942256391		3
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>												
2	4.1	5	2	1	15	N/A	Medi-Cal Days To adjust reported Medi-Cal Nursing Facility days to agree with the following Fiscal Intermediary Payment Data: Payment Period: January 1, 2011 through September 30, 2012 Service Period: January 1, 2011 through December 31, 2011 Report Date: October 2, 2012 42 CFR, 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2304, 2404 and 2408 CCR, Title 22, Section 51541	5,345	(362)	4,983		
3	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	362	362		