

**REPORT  
ON THE  
RATE SETTING AUDIT**

**MANORCARE HEALTH SERVICES – TICE VALLEY  
WALNUT CREEK, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1609817352**

**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 – TICE VALLEY  
NATIONAL PROVIDER IDENTIFIER (NPI) 1609817352  
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 \$60,222, 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 - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility No.:  
206074076

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	\$ 5,867,042	\$ 146.61
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 889,622	\$ 22.23
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 917,774	\$ 22.93
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 731,769	\$ 18.29
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 180,654	\$ 4.51
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 33,317	\$ 0.83
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 67,505	\$ 1.69
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 344,712	\$ 8.61
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 961,230	\$ 24.02
11	Cost of Routine Service/Audited Total Costs	\$ 10,541,852.00	\$ 9,993,627	\$ 249.73
12	Total Patient Days (Adj 15)	39,952	40,017	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 263.86	\$ 249.73	
14	Overpayments (Adj 16-18)	\$ 0	\$ 60,222	
15	Medi-Cal Days (Adj 14)	8,544	8,498	
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 - TICE VALLEY

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

**Provider NPI:**  
1609817352

**OSHPD Facility No.:**  
206074076

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 - TICE VALLEY

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

**Provider NPI:**  
1609817352

**OSHPD Facility No.:**  
206074076

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	\$ 276,562	\$ 276,562		
160	Activities	148,129		\$ 148,129	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	<b>ANCILLARY SERVICES</b>				
075	Patient Supplies	33,045	0	0	33,045
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	1,032,965	0	0	1,032,965
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	979,154	0	0	979,154
083	Speech Pathology	117,798	0	0	117,798
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	1,907	0	0	1,907
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	5,442,351	276,562	148,129	5,867,042
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	27,175	0	0	27,175
145	Other Nonreimbursable	30,451	0	0	30,451
	<b>TOTAL</b>	<b>\$ 8,089,537</b>	<b>\$ 276,562</b>	<b>\$ 148,129</b>	<b>\$ 8,089,537</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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 Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 63,659	\$ 63,659										
010	Housekeeping	219,318	122	\$ 219,440									
060	Laundry and Linen	81,174	1,911	6,601	\$ 89,687								
065	Dietary	425,090	8,226	28,412	0	\$ 461,728							
155	Social Services	N/A	0	0	0	0	\$ -						
160	Activities	N/A	842	2,909	0	0	0	\$ 3,751					
165	Administration	N/A	6,261	21,622	0	0	0	0		\$ 27,883	\$ 27,883		
166	Medical Records	70,500	0	0	0	0	0	0		70,500		\$ 70,500	
170	Inservice Education - Nursing	84,398	0	0	0	0	0	0	\$ 84,398				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		1,813	6,263	0	0	0	0	0	8,076	804	2,034	\$ 10,915
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	1	2
080	Physical Therapy		1,695	5,855	0	0	0	0	0	7,551	2,468	6,240	16,258
081	Respiratory Therapy		0	0	0	0	0	0	0	0	20	51	71
082	Occupational Therapy		771	2,664	0	0	0	0	0	3,436	2,266	5,729	11,430
083	Speech Pathology		0	0	0	0	0	0	0	0	265	670	935
085	Pharmacy		368	1,273	0	0	0	0	0	1,641	1,953	4,937	8,531
090	Laboratory		0	0	0	0	0	0	0	0	511	1,291	1,802
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	456	1,154	1,610
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		41,234	142,410	89,687	461,728	0	3,751	84,398	823,209	18,822	47,591	889,622 *
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		414	1,429	0	0	0	0	0	1,843	87	221	2,152
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	230	581	811
	<b>TOTAL</b>	<b>\$ 944,139</b>	<b>\$ 63,659</b>	<b>\$ 219,440</b>	<b>\$ 89,687</b>	<b>\$ 461,728</b>	<b>\$ -</b>	<b>\$ 3,751</b>	<b>\$ 84,398</b>	<b>\$ 845,756</b>	<b>\$ 27,883</b>	<b>\$ 70,500</b>	<b>\$ 944,139</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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	\$ 485,238	\$ 485,238										
010	Housekeeping	30,231	927	\$ 31,158									
060	Laundry and Linen	29,522	14,570	937	\$ 45,029								
065	Dietary	362,740	62,706	4,034	0	\$ 429,480							
155	Social Services	1,551	0	0	0	0	\$ 1,551						
160	Activities	23,622	6,420	413	0	0	0	\$ 30,455					
165	Administration	N/A	47,721	3,070	0	0	0	0		\$ 50,791	\$ 50,791		
166	Medical Records	3,453	0	0	0	0	0	0		3,453		\$ 3,453	
170	Inservice Education - Nursing	0	0	0	0	0	0	0	\$ -				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	274,527	13,822	889	0	0	0	0	0	289,239	1,465	100	\$ 290,804
077	Specialized Support Surfaces	209	0	0	0	0	0	0	0	209	1	0	210
080	Physical Therapy	21,660	12,923	831	0	0	0	0	0	35,414	4,495	306	40,215
081	Respiratory Therapy	9,031	0	0	0	0	0	0	0	9,031	37	3	9,070
082	Occupational Therapy	11,647	5,880	378	0	0	0	0	0	17,906	4,127	281	22,313
083	Speech Pathology	719	0	0	0	0	0	0	0	719	483	33	1,235
085	Pharmacy	862,496	2,809	181	0	0	0	0	0	865,485	3,557	242	869,284
090	Laboratory	228,297	0	0	0	0	0	0	0	228,297	930	63	229,290
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	202,085	0	0	0	0	0	0	0	202,085	831	57	202,973
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	40,116	314,305	20,221	45,029	429,480	1,551	30,455	0	881,157	34,287	2,331	917,774 *
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	3,155	203	0	0	0	0	0	3,358	159	11	3,528
145	Other Nonreimbursable	72,312	0	0	0	0	0	0	0	72,312	419	28	72,759
	<b>TOTAL</b>	<b>\$ 2,659,456</b>	<b>\$ 485,238</b>	<b>\$ 31,158</b>	<b>\$ 45,029</b>	<b>\$ 429,480</b>	<b>\$ 1,551</b>	<b>\$ 30,455</b>	<b>\$ -</b>	<b>\$ 2,605,212</b>	<b>\$ 50,791</b>	<b>\$ 3,453</b>	<b>\$ 2,659,456</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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)	\$ 823,784	80%							
	Property Tax (line 40)	203,370	20%	\$ 1,027,154						
005	Plant Operations and Maintenance			26,535	\$ 26,535					
010	Housekeeping			1,912	51	\$ 1,962				
060	Laundry and Linen			30,044	797	59	\$ 30,900			
065	Dietary			129,307	3,429	254	0	\$ 132,990		
155	Social Services			0	0	0	0	0	\$ -	
160	Activities			13,239	351	26	0	0	0	\$ 13,616
165	Administration			98,407	2,610	193	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			28,504	756	56	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			26,649	707	52	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			12,126	322	24	0	0	0	0
083	Speech Pathology			0	0	0	0	0	0	0
085	Pharmacy			5,792	154	11	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			648,134	17,187	1,274	30,900	132,990	0	13,616
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			6,505	173	13	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,027,154</b>	<b>100%</b>	<b>\$ 1,027,154</b>	<b>\$ 26,535</b>	<b>\$ 1,962</b>	<b>\$ 30,900</b>	<b>\$ 132,990</b>	<b>\$ -</b>	<b>\$ 13,616</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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 80% Of Total	Property Tax 20% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 823,784	80%							
	Property Tax (line 40)	203,370	20%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 101,210	\$ 101,210				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	29,315	2,920	0	\$ 32,235	\$ 25,853	\$ 6,382
077	Specialized Support Surfaces			0	0	2	0	2	1	0
080	Physical Therapy			0	27,408	8,958	0	36,366	29,165	7,200
081	Respiratory Therapy			0	0	73	0	73	59	15
082	Occupational Therapy			0	12,472	8,224	0	20,695	16,598	4,098
083	Speech Pathology			0	0	962	0	962	772	191
085	Pharmacy			0	5,957	7,088	0	13,045	10,462	2,583
090	Laboratory			0	0	1,853	0	1,853	1,486	367
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	1,656	0	1,656	1,328	328
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	844,101	68,322	0	912,424	731,769	180,654
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	6,691	317	0	7,008	5,620	1,387
145	Other Nonreimbursable			0	0	834	0	834	669	165
	<b>TOTAL</b>	\$ 1,027,154	100%	\$ -	\$ 925,944	\$ 101,210	\$ -	\$ 1,027,154	\$ 823,784	\$ 203,370

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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. 68% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 5% of Total	Quality Assur. Fees 25% of Total	Caregiver Training 0% of Total
	<b>GENERAL SERVICES</b>													
045	Property Insurance	\$ 7,335												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,416,599												
	Total Costs Allocable as Administration	1,423,934	68%											
167	CDPH Licensing Fees	49,354	2%											
168	Professional Liability Insurance	100,000	5%											
169	Quality Assurance Fees	510,645	25%											
174	Caregiver Training	0	0%											
	Total	2,083,933	100%						\$ 2,083,933					
	<b>ANCILLARY SERVICES</b>													
075	Patient Supplies			\$ 33,045	\$ 8,076	\$ 289,239	\$ 29,315	\$ 359,675	60,125	\$ 41,083	\$ 1,424	\$ 2,885	\$ 14,733	\$ -
077	Specialized Support Surfaces			0	0	209	0	209	35	24	1	2	9	0
080	Physical Therapy			1,032,965	7,551	35,414	27,408	1,103,338	184,438	126,025	4,368	8,850	45,194	0
081	Respiratory Therapy			0	0	9,031	0	9,031	1,510	1,032	36	72	370	0
082	Occupational Therapy			979,154	3,436	17,906	12,472	1,012,967	169,331	115,702	4,010	8,126	41,493	0
083	Speech Pathology			117,798	0	719	0	118,517	19,812	13,537	469	951	4,855	0
085	Pharmacy			0	1,641	865,485	5,957	873,084	145,948	99,725	3,456	7,003	35,763	0
090	Laboratory			0	0	228,297	0	228,297	38,163	26,076	904	1,831	9,351	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			1,907	0	202,085	0	203,992	34,100	23,300	808	1,636	8,356	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			5,867,042	823,209	881,157	844,101	8,415,509	1,406,764	961,230	33,317	67,505	344,712	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			27,175	1,843	3,358	6,691	39,066	6,530	4,462	155	313	1,600	0
145	Other Nonreimbursable			30,451	0	72,312	0	102,763	17,178	11,738	407	824	4,209	0
	<b>SUBTOTAL</b>	\$ 2,083,933		\$ 8,089,537	\$ 845,756	\$ 2,605,212	\$ 925,944	\$ 12,466,449	\$ 2,083,933					
	Total Administrative Costs							\$ 2,083,933		\$ 1,423,934	\$ 49,354	\$ 100,000	\$ 510,645	\$ -
	Unit Cost Multiplier							0.16716333						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 98,383	\$ 54,244	\$ 101,210	\$ 253,837							
	<b>TOTAL FACILITY COSTS</b>							\$ 14,804,219						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 11)	Plant Ops (SQ FT) 5 (Adj 11)	Hskpng (SQ FT) 10 (Adj 11)	Laundry (LBS) 60 (Adj 12)	Dietary (MEALS) 65 (Adj 13)	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	930									
010	Housekeeping	67	67								
060	Laundry and Linen	1,053	1,053	1,053							
065	Dietary	4,532	4,532	4,532							
155	Social Services										
160	Activities	464	464	464							
165	Administration	3,449	3,449	3,449							
166	Medical Records										
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	999	999	999						359,675	359,675
077	Specialized Support Surfaces									209	209
080	Physical Therapy	934	934	934						1,103,338	1,103,338
081	Respiratory Therapy									9,031	9,031
082	Occupational Therapy	425	425	425						1,012,967	1,012,967
083	Speech Pathology									118,517	118,517
085	Pharmacy	203	203	203						873,084	873,084
090	Laboratory									228,297	228,297
095	Home Health Services									0	0
100	Other Ancillary Services									203,992	203,992
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	22,716	22,716	22,716	422,760	119,631	5,482,467	5,482,467	5,482,467	8,415,509	8,415,509
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	228	228	228						39,066	39,066
145	Other Nonreimbursable									102,763	102,763
	<b>TOTAL STATISTICS</b>	36,000	35,070	35,003	422,760	119,631	5,482,467	5,482,467	5,482,467	12,466,449	12,466,449
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 276,562 0.050444809	\$ 148,129 0.027018676			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 63,659 1.81519818	\$ 219,440 6.26916602	\$ 89,687 0.21214598	\$ 461,728 3.85960444	\$ - 0.00000000	\$ 3,751 0.00068421	\$ 84,398 0.01539417	\$ 27,883 0.00223664	\$ 70,500 0.00565518
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 485,238 13.83627032	\$ 31,158 0.89015313	\$ 45,029 0.10651179	\$ 429,480 3.59004063	\$ 1,551 0.00028290	\$ 30,455 0.00555499	\$ - 0.00000000	\$ 50,791 0.00407425	\$ 3,453 0.00027698
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 1,027,154 28.53205556	\$ 26,535 0.75662423	\$ 1,962 0.05606210	\$ 30,900 0.07309115	\$ 132,990 1.11167148	\$ - 0.00000000	\$ 13,616 0.00248355	\$ - 0.00000000	\$ 101,210 0.00811859	\$ - 0.00000000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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	\$ 50,803	\$ 0	\$ 50,803	(Sch 3)
005	.20-.39	Fringe Benefits	6200	12,856	0	12,856	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	485,238	0	485,238	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 548,897	\$ 0	\$ 548,897	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 175,062	\$ 0	\$ 175,062	(Sch 3)
010	.20-.39	Fringe Benefits	6300	44,256	0	44,256	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	30,231	0	30,231	(Sch 4)
010		Housekeeping - Total	6300	\$ 249,549	\$ 0	\$ 249,549	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 454,388	\$ 0	\$ 454,388	(Sch 5)
020		Depreciation: Leasehold Improvements	7130		0	0	(Sch 5)
025		Depreciation: Equipment	7140	122,681	0	122,681	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	137,172	0	137,172	(Sch 5)
040		Property Taxes	7300	202,878	492	203,370	(Sch 5)
045		Property Insurance	7400	7,335	0	7,335	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		109,543	109,543	(Sch 5)
055		Interest - Other	7600	\$ 109,543	\$ (109,543)	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,832,443	\$ 492	\$ 1,832,935	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 64,630	\$ 0	\$ 64,630	(Sch 3)
060	.20-.39	Fringe Benefits	6400	16,544	0	16,544	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	29,522	0	29,522	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 110,696	\$ 0	\$ 110,696	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 339,187	\$ 0	\$ 339,187	(Sch 3)
065	.20-.39	Fringe Benefits	6500	85,903	0	85,903	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	362,740	0	362,740	(Sch 4)
065		Dietary - Total	6500	\$ 787,830	\$ 0	\$ 787,830	
070		Provision for Bad Debts	7700	\$ 0	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 26,518	\$ 0	\$ 26,518	(Sch 2)
075	.20-.39	Fringe Benefits	8100	6,527	0	6,527	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	274,527	0	274,527	(Sch 4)
075		Patient Supplies - Total	8100	\$ 307,572	\$ 0	\$ 307,572	
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	209	0	209	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 209	\$ 0	\$ 209	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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	\$ 802,723	\$ 0	\$ 802,723	(Sch 2)
080	.20-.39	Fringe Benefits	8200	202,550	0	202,550	(Sch 2)
080	.79	Agency Staff	8200	27,692	0	27,692	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	21,660	0	21,660	(Sch 4)
080		Physical Therapy - Total	8200	\$ 1,054,625	\$ 0	\$ 1,054,625	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	9,031	0	9,031	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 9,031	\$ 0	\$ 9,031	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 492,828	\$ 0	\$ 492,828	(Sch 2)
082	.20-.39	Fringe Benefits	8250	125,472	0	125,472	(Sch 2)
082	.79	Agency Staff	8250	360,854	0	360,854	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	11,647	0	11,647	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 990,801	\$ 0	\$ 990,801	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 22,267	\$ 0	\$ 22,267	(Sch 2)
083	.20-.39	Fringe Benefits	8280	5,924	0	5,924	(Sch 2)
083	.79	Agency Staff	8280	89,607	0	89,607	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	719	0	719	(Sch 4)
083		Speech Pathology - Total	8280	\$ 118,517	\$ 0	\$ 118,517	
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	862,496	0	862,496	(Sch 4)
085		Pharmacy - Total	8300	\$ 862,496	\$ 0	\$ 862,496	
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	228,297	0	228,297	(Sch 4)
090		Laboratory - Total	8400	\$ 228,297	\$ 0	\$ 228,297	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	1,907	0	1,907	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	202,085	0	202,085	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 203,992	\$ 0	\$ 203,992	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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		\$ 3,775,540	\$ 0	\$ 3,775,540	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 4,347,270	\$ 0	\$ 4,347,270	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,095,081	0	1,095,081	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	40,116	0	40,116	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 5,482,467	\$ 0	\$ 5,482,467	
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 - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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 (Sch 2)
140	.49	Agency Staff	8900	27,175	0	27,175 (Sch 2)
140	.40-.99	Other - Nonlabor	8900		0	0 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 27,175	\$ 0	\$ 27,175
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 24,317	\$ 24,317 (Sch 2)
145	.20-.39	Fringe Benefits	9100		6,134	6,134 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		72,312	72,312 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 102,763	\$ 102,763
146		<b>Subtotal 105 - 145</b>		\$ 5,509,642	\$ 102,763	\$ 5,612,405
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 222,260	\$ 0	\$ 222,260 (Sch 2)
155	.20-.39	Fringe Benefits	6600	54,302	0	54,302 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	1,551	0	1,551 (Sch 4)
155		Social Services - Total	6600	\$ 278,113	\$ 0	\$ 278,113

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

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

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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	\$ 103,241	\$ 0	\$ 103,241	(Sch 2)
160	.20-.39	Fringe Benefits	6700	26,057	0	26,057	(Sch 2)
160	.49	Agency Staff	6700	18,831	0	18,831	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	23,622	0	23,622	(Sch 4)
160		Activities - Total	6700	\$ 171,751	\$ 0	\$ 171,751	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 580,357	\$ (47,796)	\$ 532,561	(Sch 6)
165	.20-.39	Fringe Benefits	6900	124,850	(11,191)	113,659	(Sch 6)
165	.49	Agency Staff	6900	38,128	0	38,128	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	869,725	(137,474)	732,251	(Sch 6)
165		Administration - Total	6900	\$ 1,613,060	\$ (196,461)	\$ 1,416,599	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 56,298	\$ 0	\$ 56,298	(Sch 3)
166	.20-.39	Fringe Benefits	6900	14,202	0	14,202	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	3,453	0	3,453	(Sch 4)
166		Medical Records - Total	6900	\$ 73,953	\$ 0	\$ 73,953	
167		CDPH Licensing Fees	6900	\$ 49,354	\$ 0	\$ 49,354	(Sch 6)
168		Professional Liability Insurance	6900	\$ 496,720	\$ (396,720)	\$ 100,000	(Sch 6)
169		Quality Assurance Fees	6900	\$ 510,645	\$ 0	\$ 510,645	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 71,036	\$ 0	\$ 71,036	(Sch 3)
170	.20-.39	Fringe Benefits	6800	13,362	0	13,362	(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	\$ 84,398	\$ 0	\$ 84,398	
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>		\$ 3,277,994	\$ (593,181)	\$ 2,684,813	
200		<b>Total</b>		\$ 15,294,145	\$ (489,926)	\$ 14,804,219	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 803,536	
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\* For informational purposes only, this amount is included in various cost centers above.















Provider Name:  
MANORCARE HEALTH SERVICES - TICE VALLEY

Provider NPI:  
1609817352

OSHPD Facility Number:  
206074076

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

Line No.	Sub No.	Description	AUDIT ADJ 10	AUDIT ADJ						
174	3	Caregiver Training - Agency Staff								
174	4	Caregiver Training - Other - Nonlabor								
200		Total	(396,720)	0	0	0	0	0	0	0

Provider Name							Fiscal Period			Provider NPI		Adjustments
MANORCARE HEALTH SERVICES - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011			1609817352		18
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	\$803,536	\$803,536

Provider Name							Fiscal Period	Provider NPI		Adjustments	
MANORCARE HEALTH SERVICES - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011	1609817352		18	
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>RECLASSIFICATION OF REPORTED COSTS</u></b>											
2	10.5	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment	\$0	\$109,543	\$109,543	
	10.5	055	4	8A-1	055	4	Interest - Other	109,543	(109,543)	0	
							To reclassify capital related interest 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	\$0	\$24,317	\$24,317	
	10.5	145	2	8A-1	145	2	Other Nonreimbursable	0	6,134	6,134	
	10.5	145	4	8A-1	145	4	Other Nonreimbursable	0	72,312	72,312	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	580,357	(24,317)	556,040 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	124,850	(6,134)	118,716 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	869,725	(72,312)	797,413 *	
							To establish marketing expense as a nonreimbursable cost center in conjunction with adjustment 9. 42 CFR 413.5, 413.9 and 413.24 CMS Pub. 15-1, Sections 2136.2, 2304, and 2328				

Provider Name							Fiscal Period	Provider NPI		Adjustments	
MANORCARE HEALTH SERVICES - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011	1609817352		18	
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	040	4	8A-1	040	4	Property Taxes To adjust the reported property tax expense to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$202,878	\$492	\$203,370	
5	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	*	\$556,040	(\$23,479)	\$532,561
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits 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	*	118,716	(5,057)	113,659
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$797,413		
6							To eliminate legal expense due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)			(\$1,224)	
7							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			(116,493)	
8							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			(19,757)	
9							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>72,312</u> (\$65,162)	\$732,251

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
MANORCARE HEALTH SERVICES - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011		1609817352		18
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>											
10	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	\$496,720	(\$396,720)	\$100,000	

Provider Name							Fiscal Period		Provider NPI		Adjustments
MANORCARE HEALTH SERVICES - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011		1609817352		18
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>											
11	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	0	930	930	
	10.7	010	1,2	7	010	N/A	Housekeeping	0	67	67	
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	0	1,053	1,053	
	10.7	065	1,2,3	7	065	N/A	Dietary	0	4,532	4,532	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	0	999	999	
	10.7	077	1,2,3	7	077	N/A	Physical Therapy	0	934	934	
	10.7	080	1,2,3	7	080	N/A	Occupational Therapy	0	425	425	
	10.7	085	1,2,3	7	085	N/A	Pharmacy	0	203	203	
	10.7	090	1,2,3	7	090	N/A	Beauty and Barber	0	228	228	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	0	22,716	22,716	
	10.7	160	1,2,3	7	160	N/A	Activities	0	464	464	
	10.7	165	1,2,3	7	165	N/A	Administration	0	3,449	3,449	
	10.7	175	1	7	N/A	N/A	Total Square Feet - Capital	0	36,000	36,000	
	10.7	175	2	7	N/A	N/A	Total Square Feet - Plant Operations and Maintenance	0	35,070	35,070	
	10.7	175	3	7	N/A	N/A	Total Square Feet - Housekeeping	0	35,003	35,003	
12	10.7	105	4	7	105	N/A	Skilled Nursing Care (Laundry Pounds)	0	422,760	422,760	
	10.7	175	4	7	N/A	N/A	Total Laundry Pounds - Laundry	0	422,760	422,760	
13	10.7	105	5	7	105	N/A	Skilled Nursing Care (Meals Served)	0	119,631	119,631	
	10.7	175	5	7	N/A	N/A	Total Meals Served - Dietary	0	119,631	119,631	
To adjust the 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 - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011	1609817352		18
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>										
14	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 5, 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	8,544	(46)	8,498	
15	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	39,952	65	40,017	

Provider Name							Fiscal Period			Provider NPI		Adjustments
MANORCARE HEALTH SERVICES - TICE VALLEY							JUNE 1, 2010 THROUGH MAY 31, 2011			1609817352		18
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<b><u>ADJUSTMENTS TO OTHER MATTERS</u></b>												
	NA			1	14		Overpayments		\$0			
16							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)			\$35,776		
17							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			1,013		
18							To recover outstanding Medi-Cal credit balances. CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1			23,433	\$60,222	
										\$60,222	\$60,222	