

**REPORT  
ON THE  
RATE SETTING AUDIT**

**KINDRED NURSING AND REHAB - FIFTH AVENUE  
SAN RAFAEL, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1205840147**

**FISCAL PERIOD ENDED  
JUNE 30, 2011**

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

**Section Chief: Michael Harrold  
Auditor: Jaskaranjit Bal**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

May 17, 2013

Donna Dornbrook  
Corporate Director of Reimbursement  
Kindred Healthcare, Inc.  
680 South Fourth Street  
Louisville, Kentucky 40202

KINDRED NURSING AND REHAB - FIFTH AVENUE  
NATIONAL PROVIDER IDENTIFIER (NPI) 1205840147  
FISCAL PERIOD ENDED JUNE 30,2011

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 and patient days for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$11,075, which resulted from Medi-Cal overpayments
3. Allocation of Home Office Cost

The audit settlement will be incorporated into a Statement of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement of Account Status.

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Medi-Cal Benefits, Waiver Analysis and Rates 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.

Donna Dornbrook  
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If you have questions regarding this report, you may call the Audits Section—Fresno at (559) 446-2458.

Original Signed By

Michael A. Harrold, Chief  
Audits Section—Fresno  
Financial Audits Branch

Certified

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

**Provider Name:**  
KINDRED NURSING AND REHAB - FIFTH AVENUE

**Fiscal Period:**  
JULY 1, 2010 THROUGH JUNE 30, 2011

**Provider NPI:**  
1205840147

**OSHPD Facility No.:**  
206210946

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	\$ 2,282,811	\$ 124.27
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 678,679	\$ 36.94
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 431,392	\$ 23.48
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 175,925	\$ 9.58
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 23,308	\$ 1.27
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 13,295	\$ 0.72
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 142,134	\$ 7.74
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 210,624	\$ 11.47
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 686,181	\$ 37.35
11	Cost of Routine Service/Audited Total Costs	\$ 4,639,281.00	\$ 4,644,348	\$ 252.82
12	Total Patient Days (Adj )	18,370	18,370	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 252.55	\$ 252.82	
14	Overpayments (Adjs 8-11 )	\$ 0	\$ (11,075)	
15	Medi-Cal Days (Adjs 6, 7)	14,418	14,338	
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:**  
KINDRED NURSING AND REHAB - FIFTH AVENUE

**Fiscal Period:**  
JULY 1, 2010 THROUGH JUNE 30, 2011

**Provider NPI:**  
1205840147

**OSHPD Facility No.:**  
206210946

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:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility No.:  
206210946

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	\$ 59,360	\$ 59,360		
160	Activities	62,712		\$ 62,712	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
<b>ANCILLARY SERVICES</b>					
075	Patient Supplies	1,840	0	0	1,840
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
<b>ROUTINE SERVICES</b>					
105	Skilled Nursing Care	2,160,739	59,360	62,712	2,282,811
110	Intermediate Care	0	0	0	0
115	Mentally Disordered Care	0	0	0	0
120	Developmentally Disabled Care	0	0	0	0
125	Subacute Care	0	0	0	0
126	Subacute Care - Pediatric	0	0	0	0
128	Transitional Inpatient Care	0	0	0	0
130	Hospice Inpatient Care	0	0	0	0
135	Other Routine Services	0	0	0	0
<b>NONREIMBURSABLE</b>					
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 2,284,651</b>	<b>\$ 59,360</b>	<b>\$ 62,712</b>	<b>\$ 2,284,651</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 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	\$ 63,041	\$ 63,041										
010	Housekeeping	104,011	497	\$ 104,508									
060	Laundry and Linen	67,924	2,731	4,563	\$ 75,217								
065	Dietary	310,855	5,760	9,624	0	\$ 326,238							
155	Social Services	N/A	780	1,304	0	0	\$ 2,084						
160	Activities	N/A	3,664	6,122	0	0	0	\$ 9,786					
165	Administration	N/A	4,107	6,863	0	0	0	0	\$ 10,971	\$ 10,971			
166	Medical Records	39,101	1,339	2,237	0	0	0	0	42,676		\$ 42,676		
170	Inservice Education - Nursing	107,699	1,056	1,764	0	0	0	0	\$ 110,518				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		964	1,610	0	0	0	0	0	2,574	78	305	\$ 2,957
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	7	27	34
080	Physical Therapy		1,163	1,943	0	0	0	0	0	3,105	397	1,543	5,045
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		765	1,278	0	0	0	0	0	2,043	356	1,383	3,782
083	Speech Pathology		84	141	0	0	0	0	0	225	85	332	642
085	Pharmacy		0	0	0	0	0	0	0	0	226	880	1,106
090	Laboratory		0	0	0	0	0	0	0	0	39	153	192
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	35	137	172
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		40,133	67,061	75,217	326,238	2,084	9,786	110,518	631,037	9,743	37,899	678,679 *
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	0	0	0	0	0	0	0	4	17	21
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 692,631</b>	<b>\$ 63,041</b>	<b>\$ 104,508</b>	<b>\$ 75,217</b>	<b>\$ 326,238</b>	<b>\$ 2,084</b>	<b>\$ 9,786</b>	<b>\$ 110,518</b>	<b>\$ 638,984</b>	<b>\$ 10,971</b>	<b>\$ 42,676</b>	<b>\$ 692,631</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 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	\$ 179,965	\$ 179,965										
010	Housekeeping	11,942	1,419	\$ 13,361									
060	Laundry and Linen	11,641	7,795	583	\$ 20,019								
065	Dietary	148,264	16,442	1,230	0	\$ 165,936							
155	Social Services	0	2,227	167	0	0	\$ 2,394						
160	Activities	4,960	10,459	783	0	0	0	\$ 16,202					
165	Administration	N/A	11,725	877	0	0	0	0		\$ 12,603	\$ 12,603		
166	Medical Records	2,252	3,821	286	0	0	0	0		6,359		\$ 6,359	
170	Inservice Education - Nursing	0	3,013	225	0	0	0	0	\$ 3,239				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	17,599	2,751	206	0	0	0	0	0	20,556	90	45	\$ 20,691
077	Specialized Support Surfaces	2,540	0	0	0	0	0	0	0	2,540	8	4	2,552
080	Physical Therapy	132,384	3,319	248	0	0	0	0	0	135,951	456	230	136,637
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	121,168	2,184	163	0	0	0	0	0	123,515	408	206	124,129
083	Speech Pathology	30,020	240	18	0	0	0	0	0	30,278	98	50	30,426
085	Pharmacy	81,545	0	0	0	0	0	0	0	81,545	260	131	81,936
090	Laboratory	14,167	0	0	0	0	0	0	0	14,167	45	23	14,235
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	12,652	0	0	0	0	0	0	0	12,652	40	20	12,713
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	83,620	114,569	8,574	20,019	165,936	2,394	16,202	3,239	414,552	11,192	5,647	431,392 *
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	1,553	0	0	0	0	0	0	0	1,553	5	2	1,560
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 856,272</b>	<b>\$ 179,965</b>	<b>\$ 13,361</b>	<b>\$ 20,019</b>	<b>\$ 165,936</b>	<b>\$ 2,394</b>	<b>\$ 16,202</b>	<b>\$ 3,239</b>	<b>\$ 837,310</b>	<b>\$ 12,603</b>	<b>\$ 6,359</b>	<b>\$ 856,272</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital Various	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 186,622	88%							
	Property Tax (line 40)	24,725	12%	\$ 211,347						
005	Plant Operations and Maintenance			7,970	\$ 7,970					
010	Housekeeping			1,604	63	\$ 1,667				
060	Laundry and Linen			8,809	345	73	\$ 9,227			
065	Dietary			18,581	728	153	0	\$ 19,462		
155	Social Services			2,517	99	21	0	0	\$ 2,636	
160	Activities			11,820	463	98	0	0	0	\$ 12,380
165	Administration			13,251	519	109	0	0	0	0
166	Medical Records			4,318	169	36	0	0	0	0
170	Inservice Education - Nursing			3,405	133	28	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			3,109	122	26	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			3,751	147	31	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			2,468	97	20	0	0	0	0
083	Speech Pathology			271	11	2	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			129,473	5,074	1,070	9,227	19,462	2,636	12,380
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	0	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 211,347</b>	<b>100%</b>	<b>\$ 211,347</b>	<b>\$ 7,970</b>	<b>\$ 1,667</b>	<b>\$ 9,227</b>	<b>\$ 19,462</b>	<b>\$ 2,636</b>	<b>\$ 12,380</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

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)	\$ 186,622	88%							
	Property Tax (line 40)	24,725	12%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 13,880	\$ 13,880				
166	Medical Records				4,523		\$ 4,523			
170	Inservice Education - Nursing			\$ 3,567						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	3,257	99	32	\$ 3,388	\$ 2,992	\$ 396
077	Specialized Support Surfaces			0	0	9	3	12	10	1
080	Physical Therapy			0	3,929	502	164	4,594	4,057	537
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	2,585	450	147	3,181	2,809	372
083	Speech Pathology			0	284	108	35	428	378	50
085	Pharmacy			0	0	286	93	380	335	44
090	Laboratory			0	0	50	16	66	58	8
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	44	14	59	52	7
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			3,567	182,890	12,326	4,017	199,233	175,925	23,308
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	0	5	2	7	6	1
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 211,347	100%	\$ 3,567	\$ 192,944	\$ 13,880	\$ 4,523	\$ 211,347	\$ 186,622	\$ 24,725

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 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. 65% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 14% of Total	Quality Assur. Fees 20% of Total	Caregiver Training 0% of Total
	<b>GENERAL SERVICES</b>													
045	Property Insurance	\$ 5,732												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	766,942												
	Total Costs Allocable as Administration	772,674	65%											
167	CDPH Licensing Fees	14,971	1%											
168	Professional Liability Insurance	160,050	14%											
169	Quality Assurance Fees	237,173	20%											
174	Caregiver Training	0	0%											
	Total	1,184,868	100%						\$ 1,184,868					
	<b>ANCILLARY SERVICES</b>													
075	Patient Supplies			\$ 1,840	\$ 2,574	\$ 20,556	\$ 3,257	\$ 28,227	8,459	\$ 5,516	\$ 107	\$ 1,143	\$ 1,693	\$ -
077	Specialized Support Surfaces			0	0	2,540	0	2,540	761	496	10	103	152	0
080	Physical Therapy			0	3,105	135,951	3,929	142,985	42,849	27,942	541	5,788	8,577	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	2,043	123,515	2,585	128,143	38,401	25,042	485	5,187	7,687	0
083	Speech Pathology			0	225	30,278	284	30,787	9,226	6,016	117	1,246	1,847	0
085	Pharmacy			0	0	81,545	0	81,545	24,437	15,936	309	3,301	4,891	0
090	Laboratory			0	0	14,167	0	14,167	4,245	2,769	54	573	850	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	12,652	0	12,652	3,791	2,472	48	512	759	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			2,282,811	631,037	414,552	182,890	3,511,291	1,052,234	686,181	13,295	142,134	210,624	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	0	1,553	0	1,553	465	303	6	63	93	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,184,868		\$ 2,284,651	\$ 638,984	\$ 837,310	\$ 192,944	\$ 3,953,889	\$ 1,184,868					
	Total Administrative Costs							\$ 1,184,868		\$ 772,674	\$ 14,971	\$ 160,050	\$ 237,173	\$ -
	Unit Cost Multiplier							0.29967150						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 53,647	\$ 18,962	\$ 18,403	\$ 91,012							
	<b>TOTAL FACILITY COSTS</b>							\$ 5,229,769						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 5 )	Plant Ops (SQ FT) 5 (Adj 1, 5 )	Hskpng (SQ FT) 10 (Adj 1, 5 )	Laundry (LBS) 60 (Adj )	Dietary (MEALS) 65 (Adj )	Soc Srvs (DIRECT EXP) 155 (Adj )	Activities (DIRECT EXP) 160 (Adj )	Inserv. Ed (DIRECT EXP) 170 (Adj )	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	323									
010	Housekeeping	65	65								
060	Laundry and Linen	357	357	357							
065	Dietary	753	753	753							
155	Social Services	102	102	102							
160	Activities	479	479	479							
165	Administration	537	537	537							
166	Medical Records	175	175	175							
170	Inservice Education - Nursing	138	138	138							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	126	126	126						28,227	28,227
077	Specialized Support Surfaces									2,540	2,540
080	Physical Therapy	152	152	152						142,985	142,985
081	Respiratory Therapy									0	0
082	Occupational Therapy	100	100	100						128,143	128,143
083	Speech Pathology	11	11	11						30,787	30,787
085	Pharmacy									81,545	81,545
090	Laboratory									14,167	14,167
095	Home Health Services									0	0
100	Other Ancillary Services									12,652	12,652
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	5,247	5,247	5,247	36,410	54,615	2,244,359	2,244,359	2,244,359	3,511,291	3,511,291
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									1,553	1,553
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	8,565	8,242	8,177	36,410	54,615	2,244,359	2,244,359	2,244,359	3,953,889	3,953,889
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 59,360 0.026448532	\$ 62,712 0.027942054			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 63,041 7.64875030	\$ 104,508 12.78074707	\$ 75,217 2.06584264	\$ 326,238 5.97342143	\$ 2,084 0.00092847	\$ 9,786 0.00436014	\$ 110,518 0.04924269	\$ 10,971 0.00277465	\$ 42,676 0.01079346
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 179,965 21.83511284	\$ 13,361 1.63400787	\$ 20,019 0.54983455	\$ 165,936 3.03829072	\$ 2,394 0.00106661	\$ 16,202 0.00721886	\$ 3,239 0.00144306	\$ 12,603 0.00318747	\$ 6,359 0.00160831
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 211,347 24.67565674	\$ 7,970 0.96702707	\$ 1,667 0.20383691	\$ 9,227 0.25342510	\$ 19,462 0.35635686	\$ 2,636 0.00117465	\$ 12,380 0.00551627	\$ 3,567 0.00158924	\$ 13,880 0.00351036	\$ 4,523 0.00114397

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

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	\$ 42,858	\$ 0	\$ 42,858	(Sch 3)
005	.20-.39	Fringe Benefits	6200	20,270	(87)	20,183	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	179,965	0	179,965	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 243,093	\$ (87)	\$ 243,006	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300		0	0	(Sch 3)
010	.79	Agency Staff	6300	104,011	0	104,011	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	11,942	0	11,942	(Sch 4)
010		Housekeeping - Total	6300	\$ 115,953	\$ 0	\$ 115,953	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 309	\$ 0	\$ 309	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	19,406	0	19,406	(Sch 5)
025		Depreciation: Equipment	7140	12,955	0	12,955	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	153,952	0	153,952	(Sch 5)
040		Property Taxes	7300	24,725	0	24,725	(Sch 5)
045		Property Insurance	7400	5,732	0	5,732	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 576,125	\$ (87)	\$ 576,038	
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	67,924	0	67,924	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	11,641	0	11,641	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 79,565	\$ 0	\$ 79,565	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 205,800	\$ 0	\$ 205,800	(Sch 3)
065	.20-.39	Fringe Benefits	6500	105,473	(418)	105,055	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	148,264	0	148,264	(Sch 4)
065		Dietary - Total	6500	\$ 459,537	\$ (418)	\$ 459,119	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 1,378	\$ 0	\$ 1,378	(Sch 2)
075	.20-.39	Fringe Benefits	8100	465	(3)	462	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	17,599	0	17,599	(Sch 4)
075		Patient Supplies - Total	8100	\$ 19,442	\$ (3)	\$ 19,439	
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	2,540	0	2,540	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 2,540	\$ 0	\$ 2,540	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200		0	0	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	132,384	0	132,384	(Sch 4)
080		Physical Therapy - Total	8200	\$ 132,384	\$ 0	\$ 132,384	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250		0	0	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	121,168	0	121,168	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 121,168	\$ 0	\$ 121,168	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280		0	0	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	30,020	0	30,020	(Sch 4)
083		Speech Pathology - Total	8280	\$ 30,020	\$ 0	\$ 30,020	
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	81,545	0	81,545	(Sch 4)
085		Pharmacy - Total	8300	\$ 81,545	\$ 0	\$ 81,545	
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	14,167	0	14,167	(Sch 4)
090		Laboratory - Total	8400	\$ 14,167	\$ 0	\$ 14,167	
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	12,652	0	12,652	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 12,652	\$ 0	\$ 12,652	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

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		\$ 413,918	\$ (3)	\$ 413,915	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,646,895	\$ 0	\$ 1,646,895	(Sch 2)
105	.20-.39	Fringe Benefits	6110	517,192	(3,348)	513,844	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	83,620	0	83,620	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,247,707	\$ (3,348)	\$ 2,244,359	
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:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

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	1,553	0	1,553 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 1,553	\$ 0	\$ 1,553
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>		\$ 2,249,260	\$ (3,348)	\$ 2,245,912
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 41,194	\$ 0	\$ 41,194 (Sch 2)
155	.20-.39	Fringe Benefits	6600	18,250	(84)	18,166 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600		0	0 (Sch 4)
155		Social Services - Total	6600	\$ 59,444	\$ (84)	\$ 59,360

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

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	\$ 48,901	\$ 0	\$ 48,901	(Sch 2)
160	.20-.39	Fringe Benefits	6700	14,383	(572)	13,811	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	4,960	0	4,960	(Sch 4)
160		Activities - Total	6700	\$ 68,244	\$ (572)	\$ 67,672	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 248,127	\$ 0	\$ 248,127	(Sch 6)
165	.20-.39	Fringe Benefits	6900	82,595	(99)	82,496	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	408,449	27,870	436,319	(Sch 6)
165		Administration - Total	6900	\$ 739,171	\$ 27,771	\$ 766,942	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 33,258	\$ 0	\$ 33,258	(Sch 3)
166	.20-.39	Fringe Benefits	6900	5,843	0	5,843	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	2,252	0	2,252	(Sch 4)
166		Medical Records - Total	6900	\$ 41,353	\$ 0	\$ 41,353	
167		CDPH Licensing Fees	6900	\$ 14,971	\$ 0	\$ 14,971	(Sch 6)
168		Professional Liability Insurance	6900	\$ 160,050	\$ 0	\$ 160,050	(Sch 6)
169		Quality Assurance Fees	6900	\$ 237,173	\$ 0	\$ 237,173	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 78,962	\$ 0	\$ 78,962	(Sch 3)
170	.20-.39	Fringe Benefits	6800	27,457	(161)	27,296	(Sch 3)
170	.49	Agency Staff	6800	1,441	0	1,441	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 107,860	\$ (161)	\$ 107,699	
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>		\$ 1,428,266	\$ 26,954	\$ 1,455,220	
200		<b>Total</b>		\$ 5,206,671	\$ 23,098	\$ 5,229,769	

210	0.24	Total Facility Group Health Insurance * (Adj 2)	6900			\$ 236,912	
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\* For informational purposes only, this amount is included in various cost centers above.





Provider Name:  
KINDRED NURSING AND REHAB - FIFTH AVENUE

Provider NPI:  
1205840147

OSHPD Facility Number:  
206210946

Fiscal Period:  
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 3	AUDIT ADJ 4	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	0							
145	2	Other Nonreimbursable - Fringe Benefits	0							
145	3	Other Nonreimbursable - Agency Staff	0							
145	4	Other Nonreimbursable - Other - Nonlabor	0							
155	1	Social Services - Salaries and Wages	0							
155	2	Social Services - Fringe Benefits	(84)	(84)						
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	(572)	(572)						
160	3	Activities - Agency Staff	0							
160	4	Activities - Other - Nonlabor	0							
165	1	Administration - Salaries and Wages	0							
165	2	Administration - Fringe Benefits	(99)	(99)						
165	3	Administration - Agency Staff	0							
165	4	Administration - Other - Nonlabor	27,870	4,772	23,098					
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	0							
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	(161)	(161)						
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							Fiscal Period		Provider NPI		Adjustments	
KINDRED NURSING AND REHAB - FIFTH AVENUE							JULY 1, 2010 THROUGH JUNE 30, 2011		1205840147		11	
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>MEMORANDUM ADJUSTMENTS</b>												
1	10.7	005	2,3	7	005	N/A	Plant Operations and Maintenance (Square Fee	193	(193)	0		
	10.7	010	3	7	010	N/A	Housekeeping	45	(45)	0		
	10.7	175	2	7	N/A	N/A	Total Statistics - Square Fee	8,731	(193)	8,538 *		
	10.7	175	3	7	N/A	N/A	Total Statistics - Square Fee	8,731	(238)	8,493 *		
							To correct reported statistics on schedule 10.7 columns 2 through :					
							for proper cost reporting					
							42 CFR 413.20, 413.24 and 413.50					
							CMS Pub. 15-1, Sections 2300 and 2304					
2	N/A			8	210	N/A	Total Facility Group Health Insurance	\$0	\$236,912	\$236,912		
							To report total facility group health insurance expense for informational purposes only					
							42 CFR 413.20 and 413.24					
							CMS Pub. 15-1, Sections 2300 and 2304					

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI	Adjustments	
KINDRED NURSING AND REHAB - FIFTH AVENUE							JULY 1, 2010 THROUGH JUNE 30, 2011	1205840147	11	
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>RECLASSIFICATION OF REPORTED COSTS</b>										
3	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$408,449	\$4,772	\$413,221 *
	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	20,270	(87)	20,183
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	105,473	(418)	105,055
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	465	(3)	462
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	517,192	(3,348)	513,844
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	18,250	(84)	18,166
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	14,383	(572)	13,811
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	82,595	(99)	82,496
	10.5	170	2	8A-1	170	2	Inservice Education - Fringe Benefits	27,457	(161)	27,296
							To reclassify the provider's employee benefits reclassification prior to the cost report due to the administrative nature of expenditures for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

Provider Name							Fiscal Period	Provider NPI	Adjustments		
KINDRED NURSING AND REHAB - FIFTH AVENUE							JULY 1, 2010 THROUGH JUNE 30, 2011	1205840147	11		
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>ADJUSTMENT TO REPORTED COSTS</b>											
4	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust home office costs to agree with the filed Kindred Home Office Cost Report for fiscal periods ended December 31, 2010 and December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	*	\$413,221	\$23,098	\$436,319

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
KINDRED NURSING AND REHAB - FIFTH AVENUE							JULY 1, 2010 THROUGH JUNE 30, 2011			1205840147		11
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>ADJUSTMENT TO REPORTED STATISTICS</b>												
5	10.7	5	1	7	5	N/A	Plant Operations and Maintenance (Square Feet)		193	130	323	
	10.7	10	1,2	7	10	N/A	Housekeeping		45	20	65	
	10.7	60	1,2,3	7	60	N/A	Laundry and Linen		398	(41)	357	
	10.7	65	1,2,3	7	65	N/A	Dietary		1,023	(270)	753	
	10.7	75	1,2,3	7	75	N/A	Patient Supplies		28	98	126	
	10.7	80	1,2,3	7	80	N/A	Physical Therapy		130	22	152	
	10.7	82	1,2,3	7	82	N/A	Occupational Therapy		119	(19)	100	
	10.7	83	1,2,3	7	83	N/A	Speech Pathology		15	(4)	11	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care		5,461	(214)	5,247	
	10.7	155	1,2,3	7	155	N/A	Social Services		57	45	102	
	10.7	160	1,2,3	7	160	N/A	Activities		435	44	479	
	10.7	165	1,2,3	7	165	N/A	Administration		652	(115)	537	
	10.7	170	1,2,3	7	170	N/A	Inservice Education - Nursing		0	138	138	
	10.7	175	1	7	N/A	N/A	Total Statistics - Square Feet		8,731	(166)	8,565	
	10.7	175	2	7	N/A	N/A	Total Statistics - Square Feet	*	8,538	(296)	8,242	
	10.7	175	3	7	N/A	N/A	Total Statistics - Square Feet	*	8,493	(316)	8,177	
To adjust square footage statistics to agree with the prior year audited in order to properly allocate indirect costs. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300, 2304, and 2306												

Provider Name							Fiscal Period	Provider NPI	Adjustments	
KINDRED NURSING AND REHAB - FIFTH AVENUE							JULY 1, 2010 THROUGH JUNE 30, 2011	1205840147	11	
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>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA</b>										
	4.1	5	2	1	15	N/A	Medi-Cal Days	14,418		
6							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: 07/01/2010 through 06/30/2011 Payment Period: 07/01/2010 through 09/30/2012 Report Date: 10/16/2012 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541		(68)	
7							To adjust Medi-Cal days for over billed days and due to lack of documentation. 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		(12) (80)	14,338

Provider Name							Fiscal Period			Provider NPI		Adjustments	
KINDRED NURSING AND REHAB - FIFTH AVENUE							JULY 1, 2010 THROUGH JUNE 30, 2011			1205840147		11	
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>ADJUSTMENTS TO OTHER MATTERS</b>													
	N/A			1	14	N/A	Medi-Cal Overpayments			\$0			
8							To recover Medi-Cal overpayments for a patient not found on the census, but billed and paid by Medi-Cal and due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W & I Code, Section 14170(B) CCR, Title 22, Sections 51005, 51458.1 and 51476				\$2,752		
9							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed and due to insufficient and/or lack of documentation. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50761, 51458.1 and 51746				3,143		
10							To recover Medi-Cal overpayments because no documentation was provided for the amounts deducted for noncovered services. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300, 2304 and 2409 CCR, Title 22, Sections 50761, 51458.1 and 51746				2,842		
11							To recover outstanding Medi-Cal credit balances. CCR, Title 22, Sections 50761 and 51458.1				<u>2,338</u> \$11,075	\$11,075	