

**REPORT  
ON THE  
RATE SETTING AUDIT**

**NORTHWALK VILLA CONVALESCENT HOSPITAL  
NORWALK, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1558308460**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Margaret A. Varho  
Audit Supervisor: Lan Nguyen  
Auditor: Anita Kar**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

Date: May 16, 2013

John S. Binderup, CPA  
Director of Reimbursement - Southwest Division  
Life Care Centers of America  
10846 Old Mill Road, Suite 2  
Omaha, NE 68154

NORTHWALK VILLA CONVALESCENT HOSPITAL  
NATIONAL PROVIDER IDENTIFIER (NPI): 1558308460  
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data reports, prior fiscal period's Medi-Cal program audit report, and Medicare audit report for the current fiscal period, if applicable and available.

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit Adjustments Schedule

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Fee-For-Service Rate Development Division.

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

John S. Binderup, CPA  
Page 2

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

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

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

**United States Postal Service (USPS)**

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

**Courier (UPS, FedEx, etc.)**

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

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

If you have questions regarding this report, you may call the Audits Section—Santa Ana at (714) 558-4434.

*(Original signed by Margaret A. Varho)*

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

Certified

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

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility No.:  
206190098

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	\$ 1,597,228	\$ 81.99
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 423,495	\$ 21.74
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 426,095	\$ 21.87
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 180,725	\$ 9.28
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 23,455	\$ 1.20
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 12,115	\$ 0.62
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 54,279	\$ 2.79
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 232,120	\$ 11.92
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 424,457	\$ 21.79
11	Cost of Routine Service/Audited Total Costs	\$ 3,380,344	\$ 3,373,970	\$ 173.19
12	Total Patient Days (Adj )	19,481	19,481	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 173.52	\$ 173.19	
14	Overpayments (Adj )	\$ 0	\$ 0	
15	Medi-Cal Days (Adj 4)	16,026	15,929	
16	Medi-Cal Managed Care Days (Adj )		0	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
18	Total Patient Days (Adj )	0	0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$ 0	\$ 0	
<b>MENTALLY DISORDERED CARE</b>				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
22	Total Patient Days (Adj )	0	0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj )	\$ 0	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
26	Total Patient Days (Adj )	0	0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj )	\$ 0	\$ 0	
<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:**  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

**Provider NPI:**  
1558308460

**OSHPD Facility No.:**  
206190098

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. 42 + Ln. 43)	\$ 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	\$ 0	
50	Total Patient Days (Adj )	0	0	
51	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
52	Overpayments (Adj )	\$ 0	\$ 0	
<b>HOSPICE INPATIENT CARE</b>				
53	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
54	Total Patient Days (Adj )	0	0	
55	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
56	Overpayments (Adj )	\$ 0	\$ 0	
<b>OTHER ROUTINE SERVICES</b>				
57	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
58	Total Patient Days (Adj )	0	0	
59	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
60	Overpayments (Adj )	\$ 0	\$ 0	

**ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR**

**Provider Name:**  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

**Provider NPI:**  
1558308460

**OSHPD Facility No.:**  
206190098

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	\$ 63,020	\$ 63,020		
160	Activities	66,148		\$ 66,148	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	<b>ANCILLARY SERVICES</b>				
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	126,086	0	0	126,086
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	59,368	0	0	59,368
083	Speech Pathology	6,865	0	0	6,865
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	1,468,060	63,020	66,148	1,597,228 *
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>\$ 1,789,547</b>	<b>\$ 63,020</b>	<b>\$ 66,148</b>	<b>\$ 1,789,547</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 48,942	\$ 48,942										
010	Housekeeping	95,038	234	\$ 95,272									
060	Laundry and Linen	20,895	1,349	2,639	\$ 24,883								
065	Dietary	209,655	6,278	12,280	0	\$ 228,214							
155	Social Services	N/A	588	1,149	0	0	\$ 1,737						
160	Activities	N/A	2,649	5,181	0	0	0	\$ 7,830					
165	Administration	N/A	4,536	8,872	0	0	0	0	\$ 13,408	\$ 13,408			
166	Medical Records	52,730	702	1,373	0	0	0	0	54,805		\$ 54,805		
170	Inservice Education - Nursing	10,793	931	1,821	0	0	0	0	\$ 13,545				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		50	97	0	0	0	0	0	147	45	182	\$ 374
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,090	2,133	0	0	0	0	0	3,223	679	2,774	6,676
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		836	1,636	0	0	0	0	0	2,473	335	1,371	4,178
083	Speech Pathology		134	263	0	0	0	0	0	397	82	334	814
085	Pharmacy		0	0	0	0	0	0	0	0	381	1,556	1,936
090	Laboratory		0	0	0	0	0	0	0	0	51	208	259
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	61	250	312
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		29,564	57,827	24,883	228,214	1,737	7,830	13,545	363,600	11,773	48,122	423,495 *
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	2	7	9
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 438,053	\$ 48,942	\$ 95,272	\$ 24,883	\$ 228,214	\$ 1,737	\$ 7,830	\$ 13,545	\$ 369,840	\$ 13,408	\$ 54,805	\$ 438,053

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 124,152	\$ 124,152										
010	Housekeeping	15,995	594	\$ 16,589									
060	Laundry and Linen	62,940	3,423	460	\$ 66,822								
065	Dietary	153,280	15,926	2,138	0	\$ 171,345							
155	Social Services	11	1,490	200	0	0	\$ 1,701						
160	Activities	7,893	6,719	902	0	0	0	\$ 15,514					
165	Administration	N/A	11,506	1,545	0	0	0	0		\$ 13,051	\$ 13,051		
166	Medical Records	6,530	1,781	239	0	0	0	0		8,550		\$ 8,550	
170	Inservice Education - Nursing	0	2,362	317	0	0	0	0	\$ 2,679				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	9,153	126	17	0	0	0	0	0	9,296	43	28	\$ 9,368
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	9,811	2,766	371	0	0	0	0	0	12,948	661	433	14,042
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	4,709	2,122	285	0	0	0	0	0	7,116	326	214	7,656
083	Speech Pathology	9,490	341	46	0	0	0	0	0	9,877	80	52	10,009
085	Pharmacy	82,490	0	0	0	0	0	0	0	82,490	370	243	83,103
090	Laboratory	11,054	0	0	0	0	0	0	0	11,054	50	33	11,136
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	13,279	0	0	0	0	0	0	0	13,279	60	39	13,378
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	64,002	74,996	10,069	66,822	171,345	1,701	15,514	2,679	407,128	11,459	7,507	426,095 *
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	368	0	0	0	0	0	0	0	368	2	1	371
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 575,157</b>	<b>\$ 124,152</b>	<b>\$ 16,589</b>	<b>\$ 66,822</b>	<b>\$ 171,345</b>	<b>\$ 1,701</b>	<b>\$ 15,514</b>	<b>\$ 2,679</b>	<b>\$ 553,557</b>	<b>\$ 13,051</b>	<b>\$ 8,550</b>	<b>\$ 575,157</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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)	\$ 191,538	89%							
	Property Tax (line 40)	24,858	11%	\$ 216,396						
005	Plant Operations and Maintenance			3,891	\$ 3,891					
010	Housekeeping			1,016	19	\$ 1,035				
060	Laundry and Linen			5,858	107	29	\$ 5,994			
065	Dietary			27,260	499	133	0	\$ 27,893		
155	Social Services			2,551	47	12	0	0	\$ 2,610	
160	Activities			11,501	211	56	0	0	0	\$ 11,768
165	Administration			19,694	361	96	0	0	0	0
166	Medical Records			3,048	56	15	0	0	0	0
170	Inservice Education - Nursing			4,043	74	20	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			216	4	1	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			4,734	87	23	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			3,632	67	18	0	0	0	0
083	Speech Pathology			584	11	3	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			128,368	2,351	628	5,994	27,893	2,610	11,768
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>\$ 216,396</b>	<b>100%</b>	<b>\$ 216,396</b>	<b>\$ 3,891</b>	<b>\$ 1,035</b>	<b>\$ 5,994</b>	<b>\$ 27,893</b>	<b>\$ 2,610</b>	<b>\$ 11,768</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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 89% Of Total	Property Tax 11% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 191,538	89%							
	Property Tax (line 40)	24,858	11%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 20,151	\$ 20,151				
166	Medical Records				3,119		\$ 3,119			
170	Inservice Education - Nursing			\$ 4,136						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	221	67	10	\$ 299	\$ 264	\$ 34
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	4,844	1,020	158	6,022	5,330	692
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	3,716	504	78	4,298	3,804	494
083	Speech Pathology			0	597	123	19	739	654	85
085	Pharmacy			0	0	572	89	661	585	76
090	Laboratory			0	0	77	12	89	78	10
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	92	14	106	94	12
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			4,136	183,747	17,694	2,739	204,180	180,725	23,455
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	3	0	3	3	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 216,396	100%	\$ 4,136	\$ 193,126	\$ 20,151	\$ 3,119	\$ 216,396	\$ 191,538	\$ 24,858

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 59% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 8% of Total	Quality Assur. Fees 32% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 24,707												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	458,696												
	Total Costs Allocable as Administration	483,403	59%											
167	DPH Licensing Fees	13,798	2%											
168	Professional Liability Insurance	61,817	8%											
169	Quality Assurance Fees	264,356	32%											
174	Caregiver Training	0	0%											
	Total	823,374	100%						\$ 823,374					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 147	\$ 9,296	\$ 221	\$ 9,665	2,738	\$ 1,608	\$ 46	\$ 206	\$ 879	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			126,086	3,223	12,948	4,844	147,102	41,678	24,469	698	3,129	13,381	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			59,368	2,473	7,116	3,716	72,672	20,590	12,088	345	1,546	6,611	0
083	Speech Pathology			6,865	397	9,877	597	17,736	5,025	2,950	84	377	1,613	0
085	Pharmacy			0	0	82,490	0	82,490	23,372	13,722	392	1,755	7,504	0
090	Laboratory			0	0	11,054	0	11,054	3,132	1,839	52	235	1,006	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	13,279	0	13,279	3,762	2,209	63	282	1,208	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			1,597,228	363,600	407,128	183,747	2,551,704	722,972	424,457	12,115	54,279	232,120	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	368	0	368	104	61	2	8	33	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 823,374		\$ 1,789,547	\$ 369,840	\$ 553,557	\$ 193,126	\$ 2,906,070	\$ 823,374					
	Total Administrative Costs							\$ 823,374		\$ 483,403	\$ 13,798	\$ 61,817	\$ 264,356	\$ -
	Unit Cost Multiplier							0.28332903						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 68,213	\$ 21,600	\$ 23,270	\$ 113,083							
	<b>TOTAL FACILITY COSTS</b>							\$ 3,842,527						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5	Hskpng (SQ FT) 10	Laundry (LBS) 60	Dietary (MEALS) 65	Soc Svcs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	Inserv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	180									
010	Housekeeping	47	47								
060	Laundry and Linen	271	271	271							
065	Dietary	1,261	1,261	1,261							
155	Social Services	118	118	118							
160	Activities	532	532	532							
165	Administration	911	911	911							
166	Medical Records	141	141	141							
170	Inservice Education - Nursing	187	187	187							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	10	10	10						9,665	9,665
077	Specialized Support Surfaces	0	0	0						0	0
080	Physical Therapy	219	219	219						147,102	147,102
081	Respiratory Therapy	0	0	0						0	0
082	Occupational Therapy	168	168	168						72,672	72,672
083	Speech Pathology	27	27	27						17,736	17,736
085	Pharmacy	0	0	0						82,490	82,490
090	Laboratory	0	0	0						11,054	11,054
095	Home Health Services	0	0	0						0	0
100	Other Ancillary Services	0	0	0						13,279	13,279
101	Subacute Care Ancillary Services	0	0	0						0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0						0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	5,938	5,938	5,938	225,716	56,628	1,532,062	1,532,062	1,532,062	2,551,704	2,551,704
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
140	Beauty and Barber		0	0						368	368
145	Other Nonreimbursable		0	0						0	0
	<b>TOTAL STATISTICS</b>	<b>10,010</b>	<b>9,830</b>	<b>9,783</b>	<b>225,716</b>	<b>56,628</b>	<b>1,532,062</b>	<b>1,532,062</b>	<b>1,532,062</b>	<b>2,906,070</b>	<b>2,906,070</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 63,020	\$ 66,148			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.041134106	0.043175798			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 48,942	\$ 95,272	\$ 24,883	\$ 228,214	\$ 1,737	\$ 7,830	\$ 13,545	\$ 13,408	\$ 54,805
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		4.97884029	9.73852658	0.11024210	4.03004873	0.00113354	0.00511052	0.00884112	0.00461363	0.01885885
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 124,152	\$ 16,589	\$ 66,822	\$ 171,345	\$ 1,701	\$ 15,514	\$ 2,679	\$ 13,051	\$ 8,550
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		12.62990844	1.69565631	0.29604560	3.02579178	0.00111054	0.01012635	0.00174855	0.00449080	0.00294209
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 216,396	\$ 3,891	\$ 1,035	\$ 5,994	\$ 27,893	\$ 2,610	\$ 11,768	\$ 4,136	\$ 20,151	\$ 3,119
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	21.61798202	0.39585318	0.10576002	0.02655731	0.49256215	0.00170366	0.00768091	0.00269987	0.00693409	0.00107322

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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	\$ 36,867	\$ 0	\$ 36,867	(Sch 3)
005	.20-.39	Fringe Benefits	6200	12,075	0	12,075	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	124,152	0	124,152	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 173,094	\$ 0	\$ 173,094	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 74,608	\$ 0	\$ 74,608	(Sch 3)
010	.20-.39	Fringe Benefits	6300	20,430	0	20,430	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	15,995	0	15,995	(Sch 4)
010		Housekeeping - Total	6300	\$ 111,033	\$ 0	\$ 111,033	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 64,196	\$ 0	\$ 64,196	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	48	0	48	(Sch 5)
025		Depreciation: Equipment	7140	31,753	0	31,753	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	1,995	0	1,995	(Sch 5)
040		Property Taxes	7300	24,858	0	24,858	(Sch 5)
045		Property Insurance	7400	24,707	0	24,707	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	93,546	0	93,546	(Sch 6)
055		Interest - Other	7600	\$ 0	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 525,230	\$ 0	\$ 525,230	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 17,875	\$ 0	\$ 17,875	(Sch 3)
060	.20-.39	Fringe Benefits	6400	3,020	0	3,020	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	62,940	0	62,940	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 83,835	\$ 0	\$ 83,835	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 166,870	\$ 0	\$ 166,870	(Sch 3)
065	.20-.39	Fringe Benefits	6500	42,785	0	42,785	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	153,280	0	153,280	(Sch 4)
065		Dietary - Total	6500	\$ 362,935	\$ 0	\$ 362,935	
070		Provision for Bad Debts	7700	\$ 0	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 0	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	0	0	0	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	9,153	0	9,153	(Sch 4)
075		Patient Supplies - Total	8100	\$ 9,153	\$ 0	\$ 9,153	
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	0	0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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	\$ 101,720	\$ 0	\$ 101,720	(Sch 2)
080	.20-.39	Fringe Benefits	8200	24,366	0	24,366	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	9,811	0	9,811	(Sch 4)
080		Physical Therapy - Total	8200	\$ 135,897	\$ 0	\$ 135,897	
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	0	0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 51,375	\$ 0	\$ 51,375	(Sch 2)
082	.20-.39	Fringe Benefits	8250	7,993	0	7,993	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	4,709	0	4,709	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 64,077	\$ 0	\$ 64,077	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 5,421	\$ 0	\$ 5,421	(Sch 2)
083	.20-.39	Fringe Benefits	8280	1,444	0	1,444	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	9,490	0	9,490	(Sch 4)
083		Speech Pathology - Total	8280	\$ 16,355	\$ 0	\$ 16,355	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300	0	0	0	(Sch 2)
085	.79	Agency Staff	8300	0	0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	82,490	0	82,490	(Sch 4)
085		Pharmacy - Total	8300	\$ 82,490	\$ 0	\$ 82,490	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	11,054	0	11,054	(Sch 4)
090		Laboratory - Total	8400	\$ 11,054	\$ 0	\$ 11,054	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	13,279	0	13,279	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 13,279	\$ 0	\$ 13,279	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	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	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 332,305	\$ 0	\$ 332,305	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,174,920	\$ 0	\$ 1,174,920	(Sch 2)
105	.20-.39	Fringe Benefits	6110	293,140	0	293,140	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	64,002	0	64,002	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,532,062	\$ 0	\$ 1,532,062	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	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	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	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	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	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	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	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	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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	\$ 0
128	.20-.39	Fringe Benefits	6170	0	0	0
128	.49	Agency Staff	6170	0	0	0
128	.40-.99	Other - Nonlabor	6170	0	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	\$ 0
130	.20-.39	Fringe Benefits	6180	0	0	0
130	.49	Agency Staff	6180	0	0	0
130	.40-.99	Other - Nonlabor	6180	0	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	\$ 0
135	.20-.39	Fringe Benefits	6190	0	0	0
135	.49	Agency Staff	6190	0	0	0
135	.40-.99	Other - Nonlabor	6190	0	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	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
139	.49	Agency Staff	9100	0	0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900	0	0	0 (Sch 2)
140	.49	Agency Staff	8900	0	0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	368	0	368 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 368	\$ 0	\$ 368
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
145	.49	Agency Staff	9100	0	0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 1,532,430	\$ 0	\$ 1,532,430
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 47,270	\$ 0	\$ 47,270 (Sch 2)
155	.20-.39	Fringe Benefits	6600	15,750	0	15,750 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	11	0	11 (Sch 4)
155		Social Services - Total	6600	\$ 63,031	\$ 0	\$ 63,031

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
NORTHWALK VILLA CONVALESCENT HOSPITAL

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

Provider NPI:  
1558308460

OSHPD Facility Number:  
206190098

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	\$ 53,246	\$ 0	\$ 53,246	(Sch 2)
160	.20-.39	Fringe Benefits	6700	12,902	0	12,902	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	7,893	0	7,893	(Sch 4)
160		Activities - Total	6700	\$ 74,041	\$ 0	\$ 74,041	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 201,354	\$ 0	\$ 201,354	(Sch 6)
165	.20-.39	Fringe Benefits	6900	37,287	0	37,287	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	215,850	4,205	220,055	(Sch 6)
165		Administration - Total	6900	\$ 454,491	\$ 4,205	\$ 458,696	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 40,778	\$ 0	\$ 40,778	(Sch 3)
166	.20-.39	Fringe Benefits	6900	11,952	0	11,952	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	6,530	0	6,530	(Sch 4)
166		Medical Records - Total	6900	\$ 59,260	\$ 0	\$ 59,260	
167		CDPH Licensing Fees	6900	\$ 13,798	\$ 0	\$ 13,798	(Sch 6)
168		Professional Liability Insurance	6900	\$ 60,076	\$ 1,741	\$ 61,817	(Sch 6)
169		Quality Assurance Fees	6900	\$ 264,356	\$ 0	\$ 264,356	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 8,914	\$ 0	\$ 8,914	(Sch 3)
170	.20-.39	Fringe Benefits	6800	1,879	0	1,879	(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	\$ 10,793	\$ 0	\$ 10,793	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 999,846	\$ 5,946	\$ 1,005,792	
200		<b>Total</b>		\$ 3,836,581	\$ 5,946	\$ 3,842,527	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 117,311	
-----	------	---	------	--	--	------------	--

\* For informational purposes only, this amount is included in various cost centers above.









Provider Name							Fiscal Period			Provider NPI		Adjustment
NORTHWALK VILLA CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1558308460		4
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>MEMORANDUM ADJUSTMENT</u></b>												
1	N/A			8	210	N/A	Total Facility Group Health Insurance To include Group Health Insurance in the audit report for informational purposes only. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Section 2300 and 2304			\$0	\$117,311	\$117,311

Provider Name							Fiscal Period		Provider NPI		Adjustment
NORTHWALK VILLA CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1558308460		4
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	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$215,850	\$4,205	\$220,055	
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance	60,076	(4,205)	55,871 *	
							To reclassify all other insurance expense from the Professional Liability Insurance cost center to Administration cost center. 42 CFR 413.24 / CMS Pub. 15-1, Sections 2304 and 2162 CCR, Title 22, Sections 52000(b), 52501 and 52507				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustment
NORTHWALK VILLA CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1558308460		4
Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b><u>ADJUSTMENT TO REPORTED COSTS</u></b>											
3	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To adjust Professional Liability Insurance expense to agree with the provider's general ledger. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$55,871	\$5,946	\$61,817

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustment
NORTHWALK VILLA CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1558308460		4
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<b><u>ADJUSTMENT TO REPORTED PATIENT DAYS</u></b>												
4	4.1	5	2	1	15	N/A	Medi-Cal Days		16,026	(97)	15,929	
							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through October 31, 2012 Report Date: December 03, 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					