

**REPORT
ON THE
RATE SETTING AUDIT**

**LANCASTER CONVLESCENT CENTER
LANCASTER, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1760437628**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Robert G. Kwick
Audit Supervisor: Gary Diffenderffer
Auditor: Jennifer White**



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



EDMUND G. BROWN JR.
GOVERNOR

July 31, 2013

Lori Nelson
Reimbursement Manager
Five Star Quality Care
10850 W. Belmont Ave.
Littleton, CO 80127

LANCASTER CONVALESCENT CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1760437628
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. 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, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$33,105, which resulted from Medi-Cal overpayments

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

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

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

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

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

If you have questions regarding this report, you may call the Audits Section—Sacramento at (916) 650-6994.

Original Signed By

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

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility No.:
206190456

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SKILLED NURSING CARE				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 2,986,913	\$ 87.83
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 637,513	\$ 18.75
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 524,843	\$ 15.43
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 477,641	\$ 14.05
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 59,652	\$ 1.75
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 15,995	\$ 0.47
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 79,087	\$ 2.33
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 306,257	\$ 9.01
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 641,527	\$ 18.86
11	Cost of Routine Service/Audited Total Costs	\$ 5,835,246.00	\$ 5,729,426	\$ 168.48
12	Total Patient Days (Adj)	34,007	34,007	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 171.59	\$ 168.48	
14	Overpayments (Adj 12)		\$ 33,105	
15	Medi-Cal Days (Adj 11)	18,453	17,602	
16	Medi-Cal Managed Care Days (Adj)		0	
INTERMEDIATE CARE				
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	
MENTALLY DISORDERED CARE				
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	
DEVELOPMENTALLY DISABLED CARE				
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	
SUBACUTE CARE				
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:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility No.:
206190456

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SUBACUTE CARE - PEDIATRIC				
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	
TRANSITIONAL INPATIENT CARE				
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	
HOSPICE INPATIENT CARE				
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	
OTHER ROUTINE SERVICES				
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	

* (From Subacute Care Schedule 1)

ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility No.:
206190456

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
GENERAL SERVICES					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 115,628	\$ 115,628		
160	Activities	62,315		\$ 62,315	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
ANCILLARY SERVICES					
075	Patient Supplies	0	0	0	0 ***
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
ROUTINE SERVICES					
105	Skilled Nursing Care	2,808,970	115,628	62,315	2,986,913 *
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 *
NONREIMBURSABLE					
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
TOTAL		\$ 2,986,913	\$ 115,628	\$ 62,315	\$ 2,986,913

* (To Schedule 1)
 ** (To Subacute Care Schedule 1)
 *** (To Subacute Care Schedule 2)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
LANCASTER CONVALESCENT CENTER

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 50,362	\$ 50,362										
010	Housekeeping	205,232	843	\$ 206,075									
060	Laundry and Linen	54,475	2,747	11,432	\$ 68,654								
065	Dietary	249,098	2,762	11,496	0	\$ 263,356							
155	Social Services	N/A	456	1,898	0	0	\$ 2,354						
160	Activities	N/A	1,745	7,262	0	0	0	\$ 9,007					
165	Administration	N/A	2,552	10,622	0	0	0	0		\$ 13,174	\$ 13,174		
166	Medical Records	70,443	515	2,144	0	0	0	0		73,102		\$ 73,102	
170	Inservice Education - Nursing	67,771	0	0	0	0	0	0	\$ 67,771				
ANCILLARY SERVICES													
075	Patient Supplies		541	2,250	0	0	0	0	0	2,791	327	1,817	\$ 4,936 ***
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0 ***
080	Physical Therapy		2,903	12,083	0	0	0	0	0	14,986	1,088	6,039	22,114 ***
081	Respiratory Therapy		392	1,632	0	0	0	0	0	2,024	17	94	2,135 ***
082	Occupational Therapy		1,517	6,313	0	0	0	0	0	7,830	888	4,929	13,648 ***
083	Speech Pathology		295	1,226	0	0	0	0	0	1,521	145	803	2,468 ***
085	Pharmacy		0	0	0	0	0	0	0	0	1,510	8,376	9,886 ***
090	Laboratory		0	0	0	0	0	0	0	0	174	965	1,139 ***
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	292	1,623	1,915 ***
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 ***
ROUTINE SERVICES													
105	Skilled Nursing Care		32,796	136,480	68,654	263,356	2,354	9,007	67,771	580,419	8,718	48,375	637,513 *
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 *
NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		297	1,237	0	0	0	0	0	1,534	14	79	1,628
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 697,381	\$ 50,362	\$ 206,075	\$ 68,654	\$ 263,356	\$ 2,354	\$ 9,007	\$ 67,771	\$ 611,106	\$ 13,174	\$ 73,102	\$ 697,381

* (To Schedule 1)
** (To Subacute Care Schedule 1)
*** (To Subacute Care Schedule 2)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
LANCASTER CONVALESCENT CENTER

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 209,374	\$ 209,374										
010	Housekeeping	36,767	3,505	\$ 40,272									
060	Laundry and Linen	31,185	11,421	2,234	\$ 44,840								
065	Dietary	259,371	11,485	2,247	0	\$ 273,102							
155	Social Services	3,686	1,896	371	0	0	\$ 5,953						
160	Activities	13,120	7,255	1,419	0	0	0	\$ 21,794					
165	Administration	N/A	10,611	2,076	0	0	0	0		\$ 12,687	\$ 12,687		
166	Medical Records	6,707	2,141	419	0	0	0	0		9,267		\$ 9,267	
170	Inservice Education - Nursing	1,610	0	0	0	0	0	0	\$ 1,610				
ANCILLARY SERVICES													
075	Patient Supplies	160,088	2,248	440	0	0	0	0	0	162,776	315	230	\$ 163,321 ***
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0 ***
080	Physical Therapy	506,865	12,070	2,361	0	0	0	0	0	521,297	1,048	766	523,110 ***
081	Respiratory Therapy	0	1,630	319	0	0	0	0	0	1,949	16	12	1,977 ***
082	Occupational Therapy	433,100	6,307	1,234	0	0	0	0	0	440,641	855	625	442,121 ***
083	Speech Pathology	69,424	1,225	240	0	0	0	0	0	70,889	139	102	71,130 ***
085	Pharmacy	794,638	0	0	0	0	0	0	0	794,638	1,454	1,062	797,154 ***
090	Laboratory	91,585	0	0	0	0	0	0	0	91,585	168	122	91,875 ***
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0 ***
100	Other Ancillary Services	153,935	0	0	0	0	0	0	0	153,935	282	206	154,422 ***
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 ***
ROUTINE SERVICES													
105	Skilled Nursing Care	0	136,344	26,672	44,840	273,102	5,953	21,794	1,610	510,315	8,395	6,133	524,843 *
110	Intermediate Care	0	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	0 *
120	Developmentally Disabled Care	0	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	0 *
130	Hospice Inpatient Care	0	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	0 *
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	754	1,236	242	0	0	0	0	0	2,232	14	10	2,255
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 2,772,209	\$ 209,374	\$ 40,272	\$ 44,840	\$ 273,102	\$ 5,953	\$ 21,794	\$ 1,610	\$ 2,750,255	\$ 12,687	\$ 9,267	\$ 2,772,209

* (To Schedule 1)

** (To Subacute Care Schedule 1)

*** (To Subacute Care Schedule 2)

ALLOCATION OF CAPITAL COSTS

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 556,049	89%							
	Property Tax (line 40)	69,444	11%	\$ 625,493						
005	Plant Operations and Maintenance			34,094	\$ 34,094					
010	Housekeeping			9,900	571	\$ 10,471				
060	Laundry and Linen			32,259	1,860	581	\$ 34,699			
065	Dietary			32,439	1,870	584	0	\$ 34,893		
155	Social Services			5,356	309	96	0	0	\$ 5,762	
160	Activities			20,493	1,181	369	0	0	0	\$ 22,043
165	Administration			29,972	1,728	540	0	0	0	0
166	Medical Records			6,048	349	109	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			6,349	366	114	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			34,094	1,966	614	0	0	0	0
081	Respiratory Therapy			4,604	265	83	0	0	0	0
082	Occupational Therapy			17,814	1,027	321	0	0	0	0
083	Speech Pathology			3,461	200	62	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
ROUTINE SERVICES										
105	Skilled Nursing Care			385,118	22,202	6,935	34,699	34,893	5,762	22,043
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
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			3,491	201	63	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 625,493	100%	\$ 625,493	\$ 34,094	\$ 10,471	\$ 34,699	\$ 34,893	\$ 5,762	\$ 22,043

* (To Schedule 1)
 ** (To Subacute Care Schedule 1)
 *** (To Subacute Care Schedule 2)

ALLOCATION OF CAPITAL COSTS

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 556,049	89%							
	Property Tax (line 40)	69,444	11%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 32,239	\$ 32,239				
166	Medical Records				6,506		\$ 6,506			
170	Inservice Education - Nursing			\$ -						
ANCILLARY SERVICES										
075	Patient Supplies			0	6,830	801	162	\$ 7,793	\$ 6,928	\$ 865 ***
077	Specialized Support Surfaces			0	0	0	0	0	0	0 ***
080	Physical Therapy			0	36,674	2,664	538	39,875	35,448	4,427 ***
081	Respiratory Therapy			0	4,952	41	8	5,002	4,447	555 ***
082	Occupational Therapy			0	19,162	2,174	439	21,775	19,357	2,418 ***
083	Speech Pathology			0	3,722	354	71	4,148	3,687	460 ***
085	Pharmacy			0	0	3,694	745	4,440	3,947	493 ***
090	Laboratory			0	0	426	86	512	455	57 ***
095	Home Health Services			0	0	0	0	0	0	0 ***
100	Other Ancillary Services			0	0	716	144	860	765	95 ***
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
ROUTINE SERVICES										
105	Skilled Nursing Care			0	511,652	21,335	4,305	537,292	477,641	59,652 *
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 *
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	3,755	35	7	3,797	3,375	422
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 625,493	100%	\$ -	\$ 586,748	\$ 32,239	\$ 6,506	\$ 625,493	\$ 556,049	\$ 69,444

* (To Schedule 1)
** (To Subacute Care Schedule 1)
*** (To Subacute Care Schedule 2)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
LANCASTER CONVALESCENT CENTER

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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. 62% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 8% of Total	Quality Assur. Fees 29% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 23,356												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	946,073												
	Total Costs Allocable as Administration	969,429	62%											
167	CDPH Licensing Fees	24,170	2%											
168	Professional Liability Insurance	119,510	8%											
169	Quality Assurance Fees	462,794	29%											
174	Caregiver Training	0	0%											
	Total	1,575,903	100%						\$ 1,575,903					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 2,791	\$ 162,776	\$ 6,830	\$ 172,396	39,175	\$ 24,099	\$ 601	\$ 2,971	\$ 11,505	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	14,986	521,297	36,674	572,956	130,198	80,092	1,997	9,874	38,235	0
081	Respiratory Therapy			0	2,024	1,949	4,952	8,925	2,028	1,248	31	154	596	0
082	Occupational Therapy			0	7,830	440,641	19,162	467,633	106,264	65,369	1,630	8,059	31,207	0
083	Speech Pathology			0	1,521	70,889	3,722	76,132	17,300	10,642	265	1,312	5,081	0
085	Pharmacy			0	0	794,638	0	794,638	180,572	111,080	2,769	13,694	53,028	0
090	Laboratory			0	0	91,585	0	91,585	20,812	12,802	319	1,578	6,112	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	153,935	0	153,935	34,980	21,518	536	2,653	10,273	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
ROUTINE SERVICES														
105	Skilled Nursing Care			2,986,913	580,419	510,315	511,652	4,589,300	1,042,865	641,527	15,995	79,087	306,257	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
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,534	2,232	3,755	7,521	1,709	1,051	26	130	502	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,575,903		\$ 2,986,913	\$ 611,106	\$ 2,750,255	\$ 586,748	\$ 6,935,021	\$ 1,575,903					
	Total Administrative Costs							\$ 1,575,903		\$ 969,429	\$ 24,170	\$ 119,510	\$ 462,794	\$ -
	Unit Cost Multiplier							0.22723838						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 86,275	\$ 21,954	\$ 38,745	\$ 146,975							
	TOTAL FACILITY COSTS							\$ 8,657,899						

* (To Schedule 1)
 ** (To Subacute Care Schedule 1)
 *** (To Subacute Care Schedule 2)

STATISTICS FOR COST ALLOCATION

Provider Name:
LANCASTER CONVALESCENT CENTER

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj)	Plant Ops (SQ FT) 5 (Adj)	Hskpng (SQ FT) 10 (Adj)	Laundry (LBS) 60 (Adj)	Dietary (MEALS) 65 (Adj)	Soc Svcs (DIRECT EXP) 155 (Adj)	Activities (DIRECT EXP) 160 (Adj)	Inserv. Ed (DIRECT EXP) 170 (Adj)	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	1,133									
010	Housekeeping	329	329								
060	Laundry and Linen	1,072	1,072	1,072							
065	Dietary	1,078	1,078	1,078							
155	Social Services	178	178	178							
160	Activities	681	681	681							
165	Administration	996	996	996							
166	Medical Records	201	201	201							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	211	211	211						172,396	172,396
077	Specialized Support Surfaces									0	0
080	Physical Therapy	1,133	1,133	1,133						572,956	572,956
081	Respiratory Therapy	153	153	153						8,925	8,925
082	Occupational Therapy	592	592	592						467,633	467,633
083	Speech Pathology	115	115	115						76,132	76,132
085	Pharmacy									794,638	794,638
090	Laboratory									91,585	91,585
095	Home Health Services									0	0
100	Other Ancillary Services									153,935	153,935
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	12,798	12,798	12,798	340,070	102,021	2,808,970	2,808,970	2,808,970	4,589,300	4,589,300
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
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	116	116	116						7,521	7,521
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	20,786	19,653	19,324	340,070	102,021	2,808,970	2,808,970	2,808,970	6,935,021	6,935,021
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 115,628	\$ 62,315			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.041163843	0.022184288			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 50,362	\$ 206,075	\$ 68,654	\$ 263,356	\$ 2,354	\$ 9,007	\$ 67,771	\$ 13,174	\$ 73,102
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		2.56256042	10.66420422	0.20188224	2.58139454	0.00083816	0.00320667	0.02412664	0.00189961	0.01054093
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 209,374	\$ 40,272	\$ 44,840	\$ 273,102	\$ 5,953	\$ 21,794	\$ 1,610	\$ 12,687	\$ 9,267
	UNIT COST MULTIPLIER (INDIRECT OTHER)		10.65353890	2.08404131	0.13185428	2.67692055	0.00211939	0.00775882	0.00057316	0.00182936	0.00133630
	TOTAL CAPITAL COSTS - SCH. 5	\$ 625,493	\$ 34,094	\$ 10,471	\$ 34,699	\$ 34,893	\$ 5,762	\$ 22,043	\$ -	\$ 32,239	\$ 6,506
	UNIT COST MULTIPLIER (CAPITAL COSTS)	30.09203310	1.73481268	0.54186671	0.10203564	0.34202245	0.00205115	0.00784739	0.00000000	0.00464876	0.00093815

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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	\$ 40,264	\$ 0	\$ 40,264	(Sch 3)
005	.20-.39	Fringe Benefits	6200	10,442	(344)	10,098	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	209,844	(470)	209,374	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 260,550	\$ (814)	\$ 259,736	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 158,836	\$ 0	\$ 158,836	(Sch 3)
010	.20-.39	Fringe Benefits	6300	47,794	(1,398)	46,396	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	36,767	0	36,767	(Sch 4)
010		Housekeeping - Total	6300	\$ 243,397	\$ (1,398)	\$ 241,999	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 27,522	\$ 0	\$ 27,522	(Sch 5)
020		Depreciation: Leasehold Improvements	7130		0	0	(Sch 5)
025		Depreciation: Equipment	7140	69,163	0	69,163	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	459,364	0	459,364	(Sch 5)
040		Property Taxes	7300	64,916	4,528	69,444	(Sch 5)
045		Property Insurance	7400	24,489	(1,133)	23,356	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		Subtotal 005 - 055		\$ 1,149,401	\$ 1,183	\$ 1,150,584	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 41,923	\$ 0	\$ 41,923	(Sch 3)
060	.20-.39	Fringe Benefits	6400	12,923	(371)	12,552	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	31,185	0	31,185	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 86,031	\$ (371)	\$ 85,660	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 193,810	\$ 0	\$ 193,810	(Sch 3)
065	.20-.39	Fringe Benefits	6500	56,984	(1,696)	55,288	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	259,514	(143)	259,371	(Sch 4)
065		Dietary - Total	6500	\$ 510,308	\$ (1,839)	\$ 508,469	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	160,842	(754)	160,088	(Sch 4)
075		Patient Supplies - Total	8100	\$ 160,842	\$ (754)	\$ 160,088	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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	506,865	0	506,865	(Sch 4)
080		Physical Therapy - Total	8200	\$ 506,865	\$ 0	\$ 506,865	
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	433,100	0	433,100	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 433,100	\$ 0	\$ 433,100	
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	69,424	0	69,424	(Sch 4)
083		Speech Pathology - Total	8280	\$ 69,424	\$ 0	\$ 69,424	
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	794,638	0	794,638	(Sch 4)
085		Pharmacy - Total	8300	\$ 794,638	\$ 0	\$ 794,638	
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	91,585	0	91,585	(Sch 4)
090		Laboratory - Total	8400	\$ 91,585	\$ 0	\$ 91,585	
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	153,935	0	153,935	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 153,935	\$ 0	\$ 153,935	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
101	.79	Agency Staff	8100-8900		0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
102	.79	Agency Staff	8100-8900		0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 2,210,389	\$ (754)	\$ 2,209,635	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,224,049	\$ 0	\$ 2,224,049	(Sch 2)
105	.20-.39	Fringe Benefits	6110	604,052	(19,131)	584,921	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110		0	0	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,828,101	\$ (19,131)	\$ 2,808,970	
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:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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)
		Other Nonreimbursable				
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		754	754 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 754	\$ 754
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		Subtotal 105 - 145		\$ 2,828,101	\$ (18,377)	\$ 2,809,724
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 88,232	\$ 0	\$ 88,232 (Sch 2)
155	.20-.39	Fringe Benefits	6600	28,184	(788)	27,396 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	3,686	0	3,686 (Sch 4)
155		Social Services - Total	6600	\$ 120,102	\$ (788)	\$ 119,314

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
LANCASTER CONVALESCENT CENTER

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

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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	\$ 49,126	\$ 0	\$ 49,126	(Sch 2)
160	.20-.39	Fringe Benefits	6700	13,613	(424)	13,189	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	13,120	0	13,120	(Sch 4)
160		Activities - Total	6700	\$ 75,859	\$ (424)	\$ 75,435	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 289,841	\$ 0	\$ 289,841	(Sch 6)
165	.20-.39	Fringe Benefits	6900	116,709	(2,663)	114,046	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	679,433	(137,247)	542,186	(Sch 6)
165		Administration - Total	6900	\$ 1,085,983	\$ (139,910)	\$ 946,073	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 55,223	\$ 0	\$ 55,223	(Sch 3)
166	.20-.39	Fringe Benefits	6900	15,700	(480)	15,220	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	6,707	0	6,707	(Sch 4)
166		Medical Records - Total	6900	\$ 77,630	\$ (480)	\$ 77,150	
167		CDPH Licensing Fees	6900	\$ 24,170	\$ 0	\$ 24,170	(Sch 6)
168		Professional Liability Insurance	6900	\$ 121,263	\$ (1,753)	\$ 119,510	(Sch 6)
169		Quality Assurance Fees	6900	\$ 462,794	\$ 0	\$ 462,794	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 49,507	\$ 0	\$ 49,507	(Sch 3)
170	.20-.39	Fringe Benefits	6800	18,725	(461)	18,264	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	1,610	0	1,610	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 69,842	\$ (461)	\$ 69,381	
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	
		Subtotal 155 - 174		\$ 2,037,643	\$ (143,816)	\$ 1,893,827	
200		Total		\$ 8,821,873	\$ (163,974)	\$ 8,657,899	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 294,094	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
LANCASTER CONVALESCENT CENTER

Provider NPI:
1760437628

OSHPD Facility Number:
206190456

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

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ						
174	3	Caregiver Training - Agency Staff								
174	4	Caregiver Training - Other - Nonlabor								
200		Total	(1,753)	0	0	0	0	0	0	0

Provider Name							Fiscal Period			Provider NPI		Adjustments
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1760437628		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>MEMORANDUM ADJUSTMENT</u>												
1	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, Sections 2300 and 2304			\$0	\$294,094	\$294,094

Provider Name							Fiscal Period		Provider NPI		Adjustments
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1760437628		12
Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>RECLASSIFICATION OF REPORTED COSTS</u>											
2	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	\$160,842	(\$754)	\$160,088	
	10.5	140	4	8A-1	140	4	Beauty and Barber To reclassify beauty and barber expense to the appropriate cost center 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8	0	754	754	

Provider Name							Fiscal Period	Provider NPI		Adjustments	
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1760437628		12	
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					
ADJUSTMENTS TO REPORTED COSTS											
3	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	\$209,844	(\$470)	\$209,374	
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	259,514	(143)	259,371	
							To correct flow through error of revenue offsets to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
4	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$10,442	(\$297)	\$10,145 *	
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	47,794	(1,209)	46,585 *	
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	12,923	(321)	12,602 *	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	56,984	(1,467)	55,517 *	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	604,052	(16,546)	587,506 *	
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	28,184	(681)	27,503 *	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	13,613	(367)	13,246 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	116,709	(2,303)	114,406 *	
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	15,700	(415)	15,285 *	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	18,725	(399)	18,326 *	
							To reconcile the provider's reported self-insured health allocation to paid claims and administrative fees. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2162, 2162.3, 2162.6, 2162.7, 2300, and 2304				

Provider Name							Fiscal Period	Provider NPI		Adjustments	
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1760437628		12	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO REPORTED COSTS</u>											
5	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	*	\$10,145	(\$47)	\$10,098
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	*	46,585	(189)	46,396
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	*	12,602	(50)	12,552
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	*	55,517	(229)	55,288
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	587,506	(2,585)	584,921
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	*	27,503	(107)	27,396
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	*	13,246	(57)	13,189
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	114,406	(360)	114,046
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	*	15,285	(65)	15,220
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	*	18,326	(62)	18,264
							To reconcile Workers' Compensation expense to agree with policy amounts. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
6	10.5	040	4	8A-1	040	4	Property Taxes		\$64,916	\$4,528	\$69,444
							To adjust property tax expense to agree with property tax bills. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
7	10.5	045	4	8A-1	045	4	Property Insurance		\$24,489	(\$1,133)	\$23,356
							To adjust reported property insurance expense to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Section 2300 and 2304				
8	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor		\$679,433	(\$135,977)	\$543,456 *
							To adjust reported home office costs to agree with the Five Star Quality Care, Inc. Home Office Audit Report for fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments			
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1760437628		12			
Report References							Explanation of Audit Adjustments							
Cost Report			Audit Report									As Reported	Increase (Decrease)	As Adjusted
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No								
<u>ADJUSTMENTS TO REPORTED COSTS</u>														
9	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To eliminate hearing aid replacement expense not included in the rate. CMS Pub.15-1, Section 2104.4 CCR, Title 22, 51511(c)	*	\$543,456	(\$1,270)	\$542,186			
10	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To adjust reported Liability Insurance expense to agree with the liability insurance policies. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$121,263	(\$1,753)	\$119,510			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1760437628		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO REPORTED MEDI-CAL SETTLEMENT DATA</u>												
11	4.1	5	2	1	15	N/A	Medi-Cal Patient Days 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 March 27, 2013 Report Date: March 28, 2013 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			18,453	(851)	17,602

Provider Name							Fiscal Period			Provider NPI		Adjustments
LANCASTER CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1760437628		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report				Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO OTHER MATTERS</u>												
12	Not Reported			1	14	N/A	Overpayments To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1		\$0	\$33,105	\$33,105	