

**REPORT
ON THE
RATE SETTING AUDIT**

**THE WATERS EDGE
ALAMEDA, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1013904267**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Louise Wong
Audit Supervisor: Marisa Ho
Auditor: Marvin Reynolds**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

March 22, 2013

Lauren Zimmerman
CFO/Controller
The Waters Edge
801 Island Drive
Alameda, CA 94502-6762

THE WATERS EDGE
NATIONAL PROVIDER IDENTIFIER (NPI) 1013904267
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, 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 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 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.

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

John Melton, 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—Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief
Audits Section—Richmond
Financial Audits Branch

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility No.:
206010989

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	\$ 4,817,850	\$ 129.43
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,027,480	\$ 27.60
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 821,896	\$ 22.08
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 58,647	\$ 1.58
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 30,942	\$ 0.83
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 24,481	\$ 0.66
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 134,712	\$ 3.62
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 440,493	\$ 11.83
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 884,922	\$ 23.77
11	Cost of Routine Service/Audited Total Costs	\$ 8,211,771	\$ 8,241,422	\$ 221.39
12	Total Patient Days (Adj)	37,225	37,225	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 220.60	\$ 221.39	
14	Overpayments (Adj)	\$ 0	\$ 0	
15	Medi-Cal Days (Adj 2)	22,839	22,880	
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:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility No.:
206010989

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	

ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility No.:
206010989

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
GENERAL SERVICES					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 64,001	\$ 64,001		
160	Activities	48,531		\$ 48,531	
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	4,705,318	64,001	48,531	4,817,850 *
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	\$ 4,817,850	\$ 64,001	\$ 48,531	\$ 4,817,850

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
THE WATERS EDGE

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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	\$ 203,557	\$ 203,557										
010	Housekeeping	100,377	2,443	\$ 102,820									
060	Laundry and Linen	116,064	4,376	2,237	\$ 122,678								
065	Dietary	497,057	58,134	29,721	0	\$ 584,913							
155	Social Services	N/A	2,366	1,210	0	0	\$ 3,576						
160	Activities	N/A	0	0	0	0	0	\$ -					
165	Administration	N/A	8,830	4,514	0	0	0	0		\$ 13,344	\$ 13,344		
166	Medical Records	80,170	0	0	0	0	0	0		80,170		\$ 80,170	
170	Inservice Education - Nursing	66,035	0	0	0	0	0	0	\$ 66,035				
ANCILLARY SERVICES													
075	Patient Supplies		2,491	1,274	0	0	0	0	0	3,765	317	1,905	\$ 5,987
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		4,040	2,065	0	0	0	0	0	6,105	514	3,088	9,708
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		4,040	2,065	0	0	0	0	0	6,105	447	2,685	9,237
083	Speech Pathology		4,040	2,065	0	0	0	0	0	6,105	271	1,627	8,002
085	Pharmacy		0	0	0	0	0	0	0	0	129	775	904
090	Laboratory		0	0	0	0	0	0	0	0	25	153	179
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	16	98	114
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		111,796	57,156	122,678	584,913	3,576	0	66,035	946,154	11,605	69,721	1,027,480
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		1,000	511	0	0	0	0	0	1,512	20	118	1,649
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,063,260	\$ 203,557	\$ 102,820	\$ 122,678	\$ 584,913	\$ 3,576	\$ -	\$ 66,035	\$ 969,746	\$ 13,344	\$ 80,170	\$ 1,063,260

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
THE WATERS EDGE

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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	\$ 188,989	\$ 188,989										
010	Housekeeping	24,621	2,268	\$ 26,889									
060	Laundry and Linen	10,799	4,063	585	\$ 15,447								
065	Dietary	343,300	53,974	7,773	0	\$ 405,047							
155	Social Services	0	2,197	316	0	0	\$ 2,513						
160	Activities	169,321	0	0	0	0	0	\$ 169,321					
165	Administration	N/A	8,198	1,181	0	0	0	0		\$ 9,378	\$ 9,378		
166	Medical Records	16,482	0	0	0	0	0	0		16,482		\$ 16,482	
170	Inservice Education - Nursing	4,298	0	0	0	0	0	0	\$ 4,298				
ANCILLARY SERVICES													
075	Patient Supplies	174,076	2,313	333	0	0	0	0	0	176,722	223	392	\$ 177,337
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	282,186	3,751	540	0	0	0	0	0	286,477	361	635	287,473
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	243,699	3,751	540	0	0	0	0	0	247,990	314	552	248,856
083	Speech Pathology	142,761	3,751	540	0	0	0	0	0	147,052	190	334	147,576
085	Pharmacy	73,888	0	0	0	0	0	0	0	73,888	91	159	74,138
090	Laboratory	14,607	0	0	0	0	0	0	0	14,607	18	31	14,656
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	9,327	0	0	0	0	0	0	0	9,327	11	20	9,359
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	84,037	103,795	14,947	15,447	405,047	2,513	169,321	4,298	799,406	8,156	14,334	821,896 *
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 *
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	8,168	929	134	0	0	0	0	0	9,230	14	24	9,268
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,790,559	\$ 188,989	\$ 26,889	\$ 15,447	\$ 405,047	\$ 2,513	\$ 169,321	\$ 4,298	\$ 1,764,699	\$ 9,378	\$ 16,482	\$ 1,790,559

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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)	\$ 63,979	65%							
	Property Tax (line 40)	33,755	35%	\$ 97,734						
005	Plant Operations and Maintenance			1,146	\$ 1,146					
010	Housekeeping			1,159	14	\$ 1,173				
060	Laundry and Linen			2,077	25	26	\$ 2,127			
065	Dietary			27,585	327	339	0	\$ 28,251		
155	Social Services			1,123	13	14	0	0	\$ 1,150	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			4,190	50	52	0	0	0	0
166	Medical Records			0	0	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			1,182	14	15	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			1,917	23	24	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			1,917	23	24	0	0	0	0
083	Speech Pathology			1,917	23	24	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			53,048	629	652	2,127	28,251	1,150	0
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			475	6	6	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 97,734	100%	\$ 97,734	\$ 1,146	\$ 1,173	\$ 2,127	\$ 28,251	\$ 1,150	\$ -

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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 65% Of Total	Property Tax 35% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 63,979	65%							
	Property Tax (line 40)	33,755	35%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 4,291	\$ 4,291				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	1,211	102	0	\$ 1,313	\$ 859	\$ 453
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	1,963	165	0	2,128	1,393	735
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	1,963	144	0	2,107	1,379	728
083	Speech Pathology			0	1,963	87	0	2,050	1,342	708
085	Pharmacy			0	0	41	0	41	27	14
090	Laboratory			0	0	8	0	8	5	3
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	5	0	5	3	2
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	85,857	3,732	0	89,588	58,647	30,942
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	486	6	0	492	322	170
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 97,734	100%	\$ -	\$ 93,443	\$ 4,291	\$ -	\$ 97,734	\$ 63,979	\$ 33,755

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
THE WATERS EDGE

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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. 60% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 9% of Total	Quality Assur. Fees 30% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 9,395												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,008,143												
	Total Costs Allocable as Administration	1,017,538	60%											
167	CDPH Licensing Fees	28,150	2%											
168	Professional Liability Insurance	154,900	9%											
169	Quality Assurance Fees	506,506	30%											
174	Caregiver Training	0	0%											
	Total	1,707,094	100%						\$ 1,707,094					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 3,765	\$ 176,722	\$ 1,211	\$ 181,697	40,568	\$ 24,181	\$ 669	\$ 3,681	\$ 12,037	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	6,105	286,477	1,963	294,545	65,764	39,200	1,084	5,967	19,513	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	6,105	247,990	1,963	256,058	57,171	34,078	943	5,188	16,963	0
083	Speech Pathology			0	6,105	147,052	1,963	155,120	34,634	20,644	571	3,143	10,276	0
085	Pharmacy			0	0	73,888	0	73,888	16,497	9,833	272	1,497	4,895	0
090	Laboratory			0	0	14,607	0	14,607	3,261	1,944	54	296	968	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	9,327	0	9,327	2,082	1,241	34	189	618	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			4,817,850	946,154	799,406	85,857	6,649,266	1,484,608	884,922	24,481	134,712	440,493	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	1,512	9,230	486	11,228	2,507	1,494	41	227	744	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,707,094		\$ 4,817,850	\$ 969,746	\$ 1,764,699	\$ 93,443	\$ 7,645,738	\$ 1,707,094					
	Total Administrative Costs							\$ 1,707,094		\$ 1,017,538	\$ 28,150	\$ 154,900	\$ 506,506	\$ -
	Unit Cost Multiplier							0.22327395						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 93,514	\$ 25,860	\$ 4,291	\$ 123,665							
	TOTAL FACILITY COSTS							\$ 9,476,497						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
THE WATERS EDGE

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 3)	Plant Ops (SQ FT) 5 (Adj 3)	Hskpng (SQ FT) 10 (Adj 3)	Laundry (LBS) 60 (Adj 4)	Dietary (MEALS) 65 (Adj 5)	Soc Svcs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	Inserv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	251									
010	Housekeeping	254	254								
060	Laundry and Linen	455	455	455							
065	Dietary	6,044	6,044	6,044							
155	Social Services	246	246	246							
160	Activities										
165	Administration	918	918	918							
166	Medical Records										
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	259	259	259						181,697	181,697
077	Specialized Support Surfaces									0	0
080	Physical Therapy	420	420	420						294,545	294,545
081	Respiratory Therapy									0	0
082	Occupational Therapy	420	420	420						256,058	256,058
083	Speech Pathology	420	420	420						155,120	155,120
085	Pharmacy									73,888	73,888
090	Laboratory									14,607	14,607
095	Home Health Services									0	0
100	Other Ancillary Services									9,327	9,327
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	11,623	11,623	11,623	369,370	110,811	4,789,355	4,789,355	4,789,355	6,649,266	6,649,266
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	104	104	104						11,228	11,228
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	21,414	21,163	20,909	369,370	110,811	4,789,355	4,789,355	4,789,355	7,645,738	7,645,738
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 64,001 0.013363177	\$ 48,531 0.010133097			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 203,557 9.61853234	\$ 102,820 4.91750477	\$ 122,678 0.33212740	\$ 584,913 5.27847243	\$ 3,576 0.00074663	\$ - 0.00000000	\$ 66,035 0.01378787	\$ 13,344 0.00174530	\$ 80,170 0.01048558
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 188,989 8.93016113	\$ 26,889 1.28601372	\$ 15,447 0.04182083	\$ 405,047 3.65529199	\$ 2,513 0.00052474	\$ 169,321 0.03535361	\$ 4,298 0.00089741	\$ 9,378 0.00122662	\$ 16,482 0.00215571
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 97,734 4.56402354	\$ 1,146 0.05413079	\$ 1,173 0.05610078	\$ 2,127 0.00575787	\$ 28,251 0.25494940	\$ 1,150 0.00024009	\$ - 0.00000000	\$ - 0.00000000	\$ 4,291 0.00056122	\$ - 0.00000000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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	\$ 126,258	\$ 0	\$ 126,258	(Sch 3)
005	.20-.39	Fringe Benefits	6200	77,299	0	77,299	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	188,989	0	188,989	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 392,546	\$ 0	\$ 392,546	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 60,846	\$ 0	\$ 60,846	(Sch 3)
010	.20-.39	Fringe Benefits	6300	39,531	0	39,531	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	24,621	0	24,621	(Sch 4)
010		Housekeeping - Total	6300	\$ 124,998	\$ 0	\$ 124,998	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	3,080	0	3,080	(Sch 5)
025		Depreciation: Equipment	7140	12,661	0	12,661	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	48,238	0	48,238	(Sch 5)
040		Property Taxes	7300	33,755	0	33,755	(Sch 5)
045		Property Insurance	7400	9,395	0	9,395	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		Subtotal 005 - 055		\$ 624,673	\$ 0	\$ 624,673	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 70,194	\$ 0	\$ 70,194	(Sch 3)
060	.20-.39	Fringe Benefits	6400	45,870	0	45,870	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	10,799	0	10,799	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 126,863	\$ 0	\$ 126,863	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 369,422	\$ 0	\$ 369,422	(Sch 3)
065	.20-.39	Fringe Benefits	6500	127,635	0	127,635	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	343,300	0	343,300	(Sch 4)
065		Dietary - Total	6500	\$ 840,357	\$ 0	\$ 840,357	
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	174,076	0	174,076	(Sch 4)
075		Patient Supplies - Total	8100	\$ 174,076	\$ 0	\$ 174,076	
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:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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	282,186	0	282,186	(Sch 4)
080		Physical Therapy - Total	8200	\$ 282,186	\$ 0	\$ 282,186	
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	243,699	0	243,699	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 243,699	\$ 0	\$ 243,699	
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	142,761	0	142,761	(Sch 4)
083		Speech Pathology - Total	8280	\$ 142,761	\$ 0	\$ 142,761	
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	73,888	0	73,888	(Sch 4)
085		Pharmacy - Total	8300	\$ 73,888	\$ 0	\$ 73,888	
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	14,607	0	14,607	(Sch 4)
090		Laboratory - Total	8400	\$ 14,607	\$ 0	\$ 14,607	
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	9,327	0	9,327	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 9,327	\$ 0	\$ 9,327	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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		\$ 940,544	\$ 0	\$ 940,544	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 3,467,714	\$ 0	\$ 3,467,714	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,202,930	0	1,202,930	(Sch 2)
105	.49	Agency Staff	6110	34,674	0	34,674	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	84,037	0	84,037	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 4,789,355	\$ 0	\$ 4,789,355	
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:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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	8,168	0	8,168 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 8,168	\$ 0	\$ 8,168
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		\$ 4,797,523	\$ 0	\$ 4,797,523
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 47,722	\$ 0	\$ 47,722 (Sch 2)
155	.20-.39	Fringe Benefits	6600	16,279	0	16,279 (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	\$ 64,001	\$ 0	\$ 64,001

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
THE WATERS EDGE

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

Provider NPI:
1013904267

OSHPD Facility Number:
206010989

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	\$ 32,848	\$ 0	\$ 32,848	(Sch 2)
160	.20-.39	Fringe Benefits	6700	15,683	0	15,683	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	169,321	0	169,321	(Sch 4)
160		Activities - Total	6700	\$ 217,852	\$ 0	\$ 217,852	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 505,998	\$ 0	\$ 505,998	(Sch 6)
165	.20-.39	Fringe Benefits	6900	269,463	0	269,463	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	232,682	0	232,682	(Sch 6)
165		Administration - Total	6900	\$ 1,008,143	\$ 0	\$ 1,008,143	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 51,238	\$ 0	\$ 51,238	(Sch 3)
166	.20-.39	Fringe Benefits	6900	28,932	0	28,932	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	16,482	0	16,482	(Sch 4)
166		Medical Records - Total	6900	\$ 96,652	\$ 0	\$ 96,652	
167		CDPH Licensing Fees	6900	\$ 28,150	\$ 0	\$ 28,150	(Sch 6)
168		Professional Liability Insurance	6900	\$ 154,900	\$ 0	\$ 154,900	(Sch 6)
169		Quality Assurance Fees	6900	\$ 506,506	\$ 0	\$ 506,506	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 53,848	\$ 0	\$ 53,848	(Sch 3)
170	.20-.39	Fringe Benefits	6800	12,187	0	12,187	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	4,298	0	4,298	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 70,333	\$ 0	\$ 70,333	
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		\$ 2,146,537	\$ 0	\$ 2,146,537	
200		Total		\$ 9,476,497	\$ 0	\$ 9,476,497	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 585,269	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name							Fiscal Period	Provider NPI	Adjustments	
THE WATERS EDGE							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1013904267	5	
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 information purposes only. 42 CFR 413.20 and 413.24/CMS Pub. 15-1, Sections 2300 and 2300.	\$0	\$585,269	\$585,269

Provider Name							Fiscal Period			Provider NPI		Adjustments
THE WATERS EDGE							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1013904267		5
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 PATIENT DAYS</u>												
2	4.1	5	2	1	15	NA	Medi-Cal Days		22,839	41	22,880	
							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 September 30, 2012 Report Date: October 2, 2012 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541					

Provider Name							Fiscal Period		Provider NPI		Adjustments
THE WATERS EDGE							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1013904267		5
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 STATISTICS</u>											
3	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	0	251	251	
	10.7	010	1,2	7	010	N/A	Housekeeping	0	254	254	
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	0	455	455	
	10.7	065	1,2,3	7	065	N/A	Dietary	0	6,044	6,044	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	0	259	259	
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	0	420	420	
	10.7	082	1,2,3	7	082	N/A	Occupational Therapy	0	420	420	
	10.7	083	1,2,3	7	083	N/A	Speech Pathology	0	420	420	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	0	11,623	11,623	
	10.7	140	1,2,3	7	140	N/A	Beauty and Barber	0	104	104	
	10.7	155	1,2,3	7	155	N/A	Social Services	0	246	246	
	10.7	165	1,2,3	7	165	N/A	Administration	0	918	918	
	10.7	175	1	7	N/A	N/A	Total Statistics - Square Feet - Capital	0	21,414	21,414	
	10.7	175	2	7	N/A	N/A	Total Statistics - Square Feet - Plant Operations and Maintenance	0	21,163	21,163	
	10.7	175	3	7	N/A	N/A	Total Statistics - Square Feet - Housekeeping	0	20,909	20,909	
To adjust square foot statistics to agree with the provider's records in order to properly allocate indirect costs. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306											
4	10.7	60	4	7	60	N/A	Laundry and Linen (Pounds)	0	369,370	369,370	
	10.7	175	4	7	175	N/A	Total Statistics - Pounds	0	369,370	369,370	
To adjust laundry pound statistics to agree to reported amounts for proper allocation. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306											
5	10.7	65	4	7	65	N/A	Dietary (Meals Served)	0	110,811	110,811	
	10.7	175	4	7	175	N/A	Total Statistics - Meals Served	0	110,811	110,811	
To adjust meals served statistics to agree to reported amounts for proper allocation. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306											