

**REPORT  
ON THE  
RATE SETTING AUDIT**

**SANTA CRUZ SKILLED NURSING CENTER  
SANTA CRUZ, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1629256953**

**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: Matthew Moy  
Auditor: Richard Chen**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

May 13, 2013

Maher Moussa, Administrator  
Santa Cruz Skilled Nursing Center  
2990 Soquel Avenue  
Santa Cruz, CA 95062

SANTA CRUZ SKILLED NURSING CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1629256953  
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.

Maher Moussa  
Page 2

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:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility No.:  
206440727

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	\$ 4,104,199	\$ 96.46
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,027,230	\$ 24.14
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 962,921	\$ 22.63
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 761,412	\$ 17.89
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 103,014	\$ 2.42
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 50,993	\$ 1.20
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 67,512	\$ 1.59
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 521,295	\$ 12.25
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 929,848	\$ 21.85
11	Cost of Routine Service/Audited Total Costs	\$ 8,691,305	\$ 8,528,425	\$ 200.44
12	Total Patient Days (Adj 7)	42,479	42,549	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 204.60	\$ 200.44	
14	Overpayments (Adj )	\$	\$ 0	
15	Medi-Cal Days (Adj 8)	35,173	1,526	
16	Medi-Cal Managed Care Days (Adj 9)		33,695	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj )		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$	\$ 0	
<b>MENTALLY DISORDERED CARE</b>				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj )		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj )	\$	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj )		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj )	\$	\$ 0	
<b>SUBACUTE CARE</b>				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

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

**Provider Name:**  
SANTA CRUZ SKILLED NURSING CENTER

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

**Provider NPI:**  
1629256953

**OSHPD Facility No.:**  
206440727

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SUBACUTE CARE - PEDIATRIC</b>				
43	Cost of Routine Service (Subacute Care - Pediatric, Sch. 1, Ln 3)	\$ 0	\$ 0	
44	Cost of Ancillary Service (Subacute Care - Pediatric, Sch. 1, Ln. 1 + Ln. 2)	\$ 0	\$ 0	
45	Total Cost of Subacute Care - Pediatric Service (Ln. 43 + Ln. 44)	\$ 0	\$ 0	
46	Total Patient Days (Subacute Care - Pediatric, Sch. 1, Ln. 5)	0	0	
47	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
48	Amount Due Provider (State) (Subacute Care - Pediatric, Sch. 1, Ln. 9)	\$ 0	\$ 0	
<b>TRANSITIONAL INPATIENT CARE</b>				
49	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
50	Total Patient Days (Adj )		0	
51	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
52	Overpayments (Adj )	\$	\$ 0	
<b>HOSPICE INPATIENT CARE</b>				
53	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
54	Total Patient Days (Adj )		0	
55	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
56	Overpayments (Adj )	\$	\$ 0	
<b>OTHER ROUTINE SERVICES</b>				
57	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
58	Total Patient Days (Adj )		0	
59	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
60	Overpayments (Adj )	\$	\$ 0	

ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility No.:  
206440727

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
<b>GENERAL SERVICES</b>					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 129,830	\$ 129,830		
160	Activities	221,085		\$ 221,085	
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	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
<b>ROUTINE SERVICES</b>					
105	Skilled Nursing Care	3,753,284	129,830	221,085	4,104,199 *
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>\$ 4,104,199</b>	<b>\$ 129,830</b>	<b>\$ 221,085</b>	<b>\$ 4,104,199</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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	\$ 54,180	\$ 54,180										
010	Housekeeping	312,405	550	\$ 312,955									
060	Laundry and Linen	107,361	878	5,126	\$ 113,365								
065	Dietary	394,943	4,983	29,081	0	\$ 429,008							
155	Social Services	N/A	5,294	30,892	0	0	\$ 36,186						
160	Activities	N/A	0	0	0	0	0	\$ -					
165	Administration	N/A	3,118	18,194	0	0	0	0	\$ 21,311	\$ 21,311			
166	Medical Records	42,869	511	2,980	0	0	0	0	46,360		\$ 46,360		
170	Inservice Education - Nursing	140,475	2,624	15,309	0	0	0	0	\$ 158,408				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		603	3,520	0	0	0	0	0	4,123	51	112	\$ 4,286
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,130	6,595	0	0	0	0	0	7,726	604	1,314	9,644
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		347	2,023	0	0	0	0	0	2,370	345	750	3,464
083	Speech Pathology		204	1,189	0	0	0	0	0	1,393	124	270	1,787
085	Pharmacy		228	1,333	0	0	0	0	0	1,561	629	1,367	3,557
090	Laboratory		0	0	0	0	0	0	0	0	28	60	88
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	34	50
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		33,415	194,991	113,365	429,008	36,186	0	158,408	965,372	19,481	42,377	1,027,230 *
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		295	1,722	0	0	0	0	0	2,017	35	75	2,127
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,052,233</b>	<b>\$ 54,180</b>	<b>\$ 312,955</b>	<b>\$ 113,365</b>	<b>\$ 429,008</b>	<b>\$ 36,186</b>	<b>\$ -</b>	<b>\$ 158,408</b>	<b>\$ 984,562</b>	<b>\$ 21,311</b>	<b>\$ 46,360</b>	<b>\$ 1,052,233</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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	\$ 275,806	\$ 275,806										
010	Housekeeping	36,880	2,802	\$ 39,682									
060	Laundry and Linen	14,979	4,472	650	\$ 20,101								
065	Dietary	378,871	25,369	3,687	0	\$ 407,927							
155	Social Services	310	26,949	3,917	0	0	\$ 31,176						
160	Activities	7,729	0	0	0	0	0	\$ 7,729					
165	Administration	N/A	15,871	2,307	0	0	0	0		\$ 18,178	\$ 18,178		
166	Medical Records	0	2,599	378	0	0	0	0		2,977		\$ 2,977	
170	Inservice Education - Nursing	1,537	13,355	1,941	0	0	0	0	\$ 16,833				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	0	3,070	446	0	0	0	0	0	3,517	44	7	\$ 3,568
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	177,915	5,753	836	0	0	0	0	0	184,505	515	84	185,105
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	110,346	1,765	257	0	0	0	0	0	112,367	294	48	112,709
083	Speech Pathology	37,322	1,037	151	0	0	0	0	0	38,510	106	17	38,633
085	Pharmacy	213,301	1,163	169	0	0	0	0	0	214,633	536	88	215,257
090	Laboratory	9,664	0	0	0	0	0	0	0	9,664	24	4	9,691
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	5,497	0	0	0	0	0	0	0	5,497	13	2	5,513
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	264,995	170,098	24,724	20,101	407,927	31,176	7,729	16,833	943,583	16,617	2,722	962,921 *
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	3,312	1,502	218	0	0	0	0	0	5,033	29	5	5,067
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,538,464</b>	<b>\$ 275,806</b>	<b>\$ 39,682</b>	<b>\$ 20,101</b>	<b>\$ 407,927</b>	<b>\$ 31,176</b>	<b>\$ 7,729</b>	<b>\$ 16,833</b>	<b>\$ 1,517,309</b>	<b>\$ 18,178</b>	<b>\$ 2,977</b>	<b>\$ 1,538,464</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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)	\$ 808,430	88%							
	Property Tax (line 40)	109,375	12%	\$ 917,805						
005	Plant Operations and Maintenance			19,591	\$ 19,591					
010	Housekeeping			9,126	199	\$ 9,325				
060	Laundry and Linen			14,562	318	153	\$ 15,033			
065	Dietary			82,618	1,802	867	0	\$ 85,286		
155	Social Services			87,763	1,914	920	0	0	\$ 90,598	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			51,687	1,127	542	0	0	0	0
166	Medical Records			8,466	185	89	0	0	0	0
170	Inservice Education - Nursing			43,493	949	456	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			10,000	218	105	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			18,737	409	197	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			5,747	125	60	0	0	0	0
083	Speech Pathology			3,378	74	35	0	0	0	0
085	Pharmacy			3,786	83	40	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			553,957	12,083	5,810	15,033	85,286	90,598	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
<b>NONREIMBURSABLE</b>										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			4,893	107	51	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 917,805</b>	<b>100%</b>	<b>\$ 917,805</b>	<b>\$ 19,591</b>	<b>\$ 9,325</b>	<b>\$ 15,033</b>	<b>\$ 85,286</b>	<b>\$ 90,598</b>	<b>\$ -</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 88% Of Total	Property Tax 12% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 808,430	88%							
	Property Tax (line 40)	109,375	12%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 53,357	\$ 53,357				
166	Medical Records				8,739		\$ 8,739			
170	Inservice Education - Nursing			\$ 44,898						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	10,323	128	21	\$ 10,472	\$ 9,224	\$ 1,248
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	19,342	1,513	248	21,103	18,588	2,515
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	5,933	863	141	6,937	6,110	827
083	Speech Pathology			0	3,488	310	51	3,849	3,390	459
085	Pharmacy			0	3,909	1,574	258	5,740	5,056	684
090	Laboratory			0	0	69	11	80	71	10
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	39	6	46	40	5
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			44,898	807,664	48,773	7,988	864,426	761,412	103,014
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	5,051	87	14	5,152	4,538	614
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 917,805	100%	\$ 44,898	\$ 855,709	\$ 53,357	\$ 8,739	\$ 917,805	\$ 808,430	\$ 109,375

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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 3% of Total	Professional Liability Ins. 4% of Total	Quality Assur. Fees 33% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 12,285												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,004,941												
	Total Costs Allocable as Administration	1,017,226	59%											
167	CDPH Licensing Fees	55,785	3%											
168	Professional Liability Insurance	73,856	4%											
169	Quality Assurance Fees	570,282	33%											
174	Caregiver Training	0	0%											
	Total	1,717,149	100%						\$ 1,717,149					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 4,123	\$ 3,517	\$ 10,323	\$ 17,962	4,134	\$ 2,449	\$ 134	\$ 178	\$ 1,373	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	7,726	184,505	19,342	211,573	48,688	28,843	1,582	2,094	16,170	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	2,370	112,367	5,933	120,670	27,769	16,450	902	1,194	9,222	0
083	Speech Pathology			0	1,393	38,510	3,488	43,391	9,985	5,915	324	429	3,316	0
085	Pharmacy			0	1,561	214,633	3,909	220,102	50,651	30,005	1,646	2,179	16,822	0
090	Laboratory			0	0	9,664	0	9,664	2,224	1,317	72	96	739	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	5,497	0	5,497	1,265	749	41	54	420	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			4,104,199	965,372	943,583	807,664	6,820,819	1,569,648	929,848	50,993	67,512	521,295	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	2,017	5,033	5,051	12,101	2,785	1,650	90	120	925	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,717,149		\$ 4,104,199	\$ 984,562	\$ 1,517,309	\$ 855,709	\$ 7,461,779	\$ 1,717,149					
	Total Administrative Costs							\$ 1,717,149		\$ 1,017,226	\$ 55,785	\$ 73,856	\$ 570,282	\$ -
	Unit Cost Multiplier							0.23012600						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 67,671	\$ 21,155	\$ 62,096	\$ 150,922							
	<b>TOTAL FACILITY COSTS</b>							\$ 9,329,850						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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	1,009									
010	Housekeeping	470	470								
060	Laundry and Linen	750	750	750							
065	Dietary	4,255	4,255	4,255							
155	Social Services	4,520	4,520	4,520							
160	Activities										
165	Administration	2,662	2,662	2,662							
166	Medical Records	436	436	436							
170	Inservice Education - Nursing	2,240	2,240	2,240							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	515	515	515						17,962	17,962
077	Specialized Support Surfaces									0	0
080	Physical Therapy	965	965	965						211,573	211,573
081	Respiratory Therapy									0	0
082	Occupational Therapy	296	296	296						120,670	120,670
083	Speech Pathology	174	174	174						43,391	43,391
085	Pharmacy	195	195	195						220,102	220,102
090	Laboratory									9,664	9,664
095	Home Health Services									0	0
100	Other Ancillary Services									5,497	5,497
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	28,530	28,530	28,530	421,830	126,549	4,018,279	4,018,279	4,018,279	6,820,819	6,820,819
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	<b>NONREIMBURSABLE</b>										
139	Residential Care									0	0
140	Beauty and Barber	252	252	252						12,101	12,101
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	47,269	46,260	45,790	421,830	126,549	4,018,279	4,018,279	4,018,279	7,461,779	7,461,779
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 129,830	\$ 221,085			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.032309852	0.055019823			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 54,180	\$ 312,955	\$ 113,365	\$ 429,008	\$ 36,186	\$ -	\$ 158,408	\$ 21,311	\$ 46,360
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		1.17120623	6.83458106	0.26874651	3.39005148	0.00900539	0.00000000	0.03942184	0.00285608	0.00621293
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 275,806	\$ 39,682	\$ 20,101	\$ 407,927	\$ 31,176	\$ 7,729	\$ 16,833	\$ 18,178	\$ 2,977
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		5.96208387	0.86661235	0.04765077	3.22347156	0.00775847	0.00192346	0.00418918	0.00243615	0.00039901
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 917,805	\$ 19,591	\$ 9,325	\$ 15,033	\$ 85,286	\$ 90,598	\$ -	\$ 44,898	\$ 53,357	\$ 8,739
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	19.41663670	0.42350598	0.20364418	0.03563720	0.67393905	0.02254645	0.00000000	0.01117346	0.00715065	0.00117118

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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	\$ 40,324	\$ 0	\$ 40,324	(Sch 3)
005	.20-.39	Fringe Benefits	6200	12,806	0	12,806	(Sch 3)
005	.79	Agency Staff	6200	1,050	0	1,050	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	275,806	0	275,806	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 329,986	\$ 0	\$ 329,986	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 129,965	\$ 0	\$ 129,965	(Sch 3)
010	.20-.39	Fringe Benefits	6300	32,765	0	32,765	(Sch 3)
010	.79	Agency Staff	6300	149,675	0	149,675	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	36,880	0	36,880	(Sch 4)
010		Housekeeping - Total	6300	\$ 349,285	\$ 0	\$ 349,285	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	77,879	0	77,879	(Sch 5)
025		Depreciation: Equipment	7140	34,551	0	34,551	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	696,000	0	696,000	(Sch 5)
040		Property Taxes	7300	114,795	(5,420)	109,375	(Sch 5)
045		Property Insurance	7400	12,285	0	12,285	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,614,781	\$ (5,420)	\$ 1,609,361	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 27,309	\$ 0	\$ 27,309	(Sch 3)
060	.20-.39	Fringe Benefits	6400	6,809	0	6,809	(Sch 3)
060	.79	Agency Staff	6400	73,243	0	73,243	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	14,979	0	14,979	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 122,340	\$ 0	\$ 122,340	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 160,660	\$ 0	\$ 160,660	(Sch 3)
065	.20-.39	Fringe Benefits	6500	43,612	0	43,612	(Sch 3)
065	.79	Agency Staff	6500	190,671	0	190,671	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	378,871	0	378,871	(Sch 4)
065		Dietary - Total	6500	\$ 773,814	\$ 0	\$ 773,814	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
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		0	0	(Sch 4)
075		Patient Supplies - Total	8100	\$ 0	\$ 0	\$ 0	
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:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	177,915	0	177,915	(Sch 4)
080		Physical Therapy - Total	8200	\$ 177,915	\$ 0	\$ 177,915	
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	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	110,346	0	110,346	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 110,346	\$ 0	\$ 110,346	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	37,322	0	37,322	(Sch 4)
083		Speech Pathology - Total	8280	\$ 37,322	\$ 0	\$ 37,322	
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	213,301	0	213,301	(Sch 4)
085		Pharmacy - Total	8300	\$ 213,301	\$ 0	\$ 213,301	
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	9,664	0	9,664	(Sch 4)
090		Laboratory - Total	8400	\$ 9,664	\$ 0	\$ 9,664	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	5,497	0	5,497	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 5,497	\$ 0	\$ 5,497	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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		\$ 554,045	\$ 0	\$ 554,045	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,991,960	\$ 0	\$ 2,991,960	(Sch 2)
105	.20-.39	Fringe Benefits	6110	761,324	0	761,324	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	264,995	0	264,995	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 4,018,279	\$ 0	\$ 4,018,279	
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:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		<b>Other Nonreimbursable</b>				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900		0	0 (Sch 2)
140	.49	Agency Staff	8900		0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	3,312	0	3,312 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 3,312	\$ 0	\$ 3,312
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 4,021,591	\$ 0	\$ 4,021,591
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 98,403	\$ 0	\$ 98,403 (Sch 2)
155	.20-.39	Fringe Benefits	6600	31,427	0	31,427 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	310	0	310 (Sch 4)
155		Social Services - Total	6600	\$ 130,140	\$ 0	\$ 130,140

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

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

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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	\$ 175,085	\$ 0	\$ 175,085	(Sch 2)
160	.20-.39	Fringe Benefits	6700	46,000	0	46,000	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	7,729	0	7,729	(Sch 4)
160		Activities - Total	6700	\$ 228,814	\$ 0	\$ 228,814	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 505,803	\$ (155,850)	\$ 349,953	(Sch 6)
165	.20-.39	Fringe Benefits	6900	136,970	(28,176)	108,794	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	550,108	(3,914)	546,194	(Sch 6)
165		Administration - Total	6900	\$ 1,192,881	\$ (187,940)	\$ 1,004,941	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 42,869	\$ 0	\$ 42,869	(Sch 3)
166	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 4)
166		Medical Records - Total	6900	\$ 42,869	\$ 0	\$ 42,869	
167		CDPH Licensing Fees	6900	\$ 62,993	\$ (7,208)	\$ 55,785	(Sch 6)
168		Professional Liability Insurance	6900	\$ 73,856	\$ 0	\$ 73,856	(Sch 6)
169		Quality Assurance Fees	6900	\$ 570,282	\$ 0	\$ 570,282	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 116,564	\$ 0	\$ 116,564	(Sch 3)
170	.20-.39	Fringe Benefits	6800	23,911	0	23,911	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	1,537	0	1,537	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 142,012	\$ 0	\$ 142,012	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 2,443,847	\$ (195,148)	\$ 2,248,699	
200		<b>Total</b>		\$ 9,530,418	\$ (200,568)	\$ 9,329,850	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 146,507	
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\* For informational purposes only, this amount is included in various cost centers above.

Provider Name:  
SANTA CRUZ SKILLED NURSING CENTER

Provider NPI:  
1629256953

OSHPD Facility Number:  
206440727

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

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
005	1	Plant Operations and Maintenance - Salaries and Wages	0							
005	2	Plant Operations and Maintenance - Fringe Benefits	0							
005	3	Plant Operations and Maintenance - Agency Staff	0							
005	4	Plant Operations and Maintenance - Other - Nonlabor	0							
010	1	Housekeeping - Salaries and Wages	0							
010	2	Housekeeping - Fringe Benefits	0							
010	3	Housekeeping - Agency Staff	0							
010	4	Housekeeping - Other - Nonlabor	0							
015	4	Depreciation: Buildings and Improvements	0							
020	4	Depreciation: Leasehold Improvements	0							
025	4	Depreciation: Equipment	0							
030	4	Depreciation and Amortization - Other	0							
035	4	Leases and Rentals	0							
040	4	Property Taxes	(5,420)		(5,420)					
045	4	Property Insurance	0							
050	4	Interest - Property, Plant, and Equipment	0							
055	4	Interest - Other	0							
060	1	Laundry and Linen - Salaries and Wages	0							
060	2	Laundry and Linen - Fringe Benefits	0							
060	3	Laundry and Linen - Agency Staff	0							
060	4	Laundry and Linen - Other - Nonlabor	0							
065	1	Dietary - Salaries and Wages	0							
065	2	Dietary - Fringe Benefits	0							
065	3	Dietary - Agency Staff	0							
065	4	Dietary - Other - Nonlabor	0							
070	4	Provision for Bad Debts	0							
075	1	Patient Supplies - Salaries and Wages	0							
075	2	Patient Supplies - Fringe Benefits	0							
075	3	Patient Supplies - Agency Staff	0							
075	4	Patient Supplies - Other - Nonlabor	0							
077	1	Specialized Support Surfaces - Salaries and Wages	0							
077	2	Specialized Support Surfaces - Fringe Benefits	0							
077	3	Specialized Support Surfaces - Agency Staff	0							
077	4	Specialized Support Surfaces - Other - Nonlabor	0							
080	1	Physical Therapy - Salaries and Wages	0							
080	2	Physical Therapy - Fringe Benefits	0							
080	3	Physical Therapy - Agency Staff	0							
080	4	Physical Therapy - Other - Nonlabor	0							
081	1	Respiratory Therapy - Salaries and Wages	0							
081	2	Respiratory Therapy - Fringe Benefits	0							
081	3	Respiratory Therapy - Agency Staff	0							
081	4	Respiratory Therapy - Other - Nonlabor	0							
082	1	Occupational Therapy - Salaries and Wages	0							
082	2	Occupational Therapy - Fringe Benefits	0							
082	3	Occupational Therapy - Agency Staff	0							
082	4	Occupational Therapy - Other - Nonlabor	0							
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	0							
083	3	Speech Pathology - Agency Staff	0							







Provider Name							Fiscal Period			Provider NPI		Adjustments
SANTA CRUZ SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1629256953		9
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 costs in the audit report for informational purposes only. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$146,507	\$146,507

Provider Name							Fiscal Period	Provider NPI	Adjustments		
SANTA CRUZ SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1629256953	9		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
<b>ADJUSTMENTS TO REPORTED COSTS</b>											
2	10.5	167	4	8A-1	167	4	Administration - CDPH Licensing Fees To adjust the facility license fees to the accrual basis of accounting CMS Pub. 15-1, Sections 2300, 2302.1, and 2304	\$62,993	(\$7,208)	\$55,785	
3	10.5	040	4	8A-1	040	4	Property Taxes To reflect the proper accrual of real property taxes applicable to the audit period. CMS Pub. 15-1, Sections 2300 and 2302.1	\$114,795	(\$5,420)	\$109,375	
4	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	\$505,803	(\$155,850)	\$349,953	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits To eliminate management fees related to the home office for not filing a home office cost report with the Department and insufficient documentation to allocate costs between patient care and other activities. 42 CFR 413.17, 413.20, and 413.24 CMS Pub. 15-1, Sections 2150, 2150.2, 2153, 2300, 2304, and 2404.2F	136,970	(28,176)	108,794	
5	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To abate interest income against interest expense. 42 CFR 413.153(b)(2)(iii) / CMS Pub. 15-1, Section 202.2	\$550,108	(\$164)	\$549,944 *	
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To eliminate tax penalties and/or fines not related to patient care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Sections 2102.3 and 2122.1	* \$549,944	(\$3,750)	\$546,194	

Provider Name							Fiscal Period		Provider NPI		Adjustments
SANTA CRUZ SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1629256953		9
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
<b><u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u></b>											
7	4.1	70	6	1	12	N/A	Total Patient Days To adjust total patient days to agree with the provider's patient census reports. CMS Pub. 15-1, Sections 2205 and 2304	42,479	70	42,549	
8	4.1	5	2	1	15	N/A	Medi-Cal Patient Days To adjust reported Medi-Cal Nursing Facility days to agree with the following Paid Claims Summary Report: Report Date: September 27, 2012 Payment Period: January 1, 2011 through August 31, 2012 Service Period: January 1, 2011 through December 31, 2011 42 CFR, 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2304, 2404, and 2408 CCR, Title 22, Section 51541	35,173	(33,647)	1,526	
9	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	33,695	33,695	