

**REPORT  
ON THE  
RATE SETTING AUDIT**

**SALEM CARE CENTER  
OAKLAND, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1609867746**

**FISCAL PERIOD ENDED  
JUNE 30, 2011**

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

**Section Chief: Louise Wong  
Audit Supervisor: Ken Phelan  
Auditor: Maria Bernardez**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

May 31, 2013

Janice Washburn  
Chief Financial Officer  
Elder Care Alliance  
1301 Marina Village Parkway, Suite 210  
Alameda, CA 94501

SALEM CARE CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1609867746  
FISCAL PERIOD ENDED JUNE 30, 2011

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

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

This audit report includes the:

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

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

Janice Washburn  
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:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility No.:  
206014077

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 2,395,187	\$ 144.82
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 487,068	\$ 29.45
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 509,797	\$ 30.82
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 169,866	\$ 10.27
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 2,791	\$ 0.17
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 4,373	\$ 0.26
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 11,414	\$ 0.69
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 921,534	\$ 55.72
11	Cost of Routine Service/Audited Total Costs	\$ 4,716,914	\$ 4,502,031	\$ 272.21
12	Total Patient Days	16,539	16,539	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 285.20	\$ 272.21	
14	Overpayments (Adj )	\$ 0	\$ 0	
15	Medi-Cal Days (Adj 12)	2,925	2,902	
16	Medi-Cal Managed Care Days		0	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
18	Total Patient Days (Adj )	0	0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$ 0	\$ 0	
<b>MENTALLY DISORDERED CARE</b>				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
22	Total Patient Days (Adj )	0	0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj )	\$ 0	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
26	Total Patient Days (Adj )	0	0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj )	\$ 0	\$ 0	
<b>SUBACUTE CARE</b>				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

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

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility No.:  
206014077

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

ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility No.:  
206014077

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	\$ 109,106	\$ 109,106		
160	Activities	296,339		\$ 296,339	
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	44,882	0	0	44,882
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	1,989,742	109,106	296,339	2,395,187 *
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	1,448,059	0	0	1,448,059
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	83,502	0	0	83,502
	<b>TOTAL</b>	<b>\$ 3,971,630</b>	<b>\$ 109,106</b>	<b>\$ 296,339</b>	<b>\$ 3,971,630</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
SALEM CARE CENTER

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 334,261	\$ 334,261										
010	Housekeeping	425,912	1,303	\$ 427,215									
060	Laundry and Linen	89,345	4,163	5,342	\$ 98,850								
065	Dietary	699,950	7,508	9,633	0	\$ 717,091							
155	Social Services	N/A	706	906	0	0	\$ 1,612						
160	Activities	N/A	765	981	0	0	0	\$ 1,746					
165	Administration	N/A	2,987	3,832	0	0	0	0		\$ 6,819	\$ 6,819		
166	Medical Records	67,636	634	813	0	0	0	0		69,082		\$ 69,082	
170	Inservice Education - Nursing	72,806	407	523	0	0	0	0	\$ 73,736				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		475	610	0	0	0	0	0	1,085	29	296	\$ 1,410
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		2,104	2,700	0	0	0	0	0	4,804	208	2,111	7,124
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		1,715	2,201	0	0	0	0	0	3,916	113	1,148	5,178
083	Speech Pathology		475	610	0	0	0	0	0	1,085	76	768	1,929
085	Pharmacy		109	139	0	0	0	0	0	248	79	798	1,124
090	Laboratory		0	0	0	0	0	0	0	0	9	92	101
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	2	24	26
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		45,141	57,920	60,280	216,377	1,612	1,746	73,736	456,812	2,718	27,538	487,068 *
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		265,144	340,204	38,570	500,714	0	0	0	1,144,633	3,499	35,443	1,183,574
140	Beauty and Barber		0	0	0	0	0	0	0	0	2	17	19
145	Other Nonreimbursable		625	801	0	0	0	0	0	1,426	84	848	2,357
	<b>TOTAL</b>	\$ 1,689,910	\$ 334,261	\$ 427,215	\$ 98,850	\$ 717,091	\$ 1,612	\$ 1,746	\$ 73,736	\$ 1,614,008	\$ 6,819	\$ 69,082	\$ 1,689,910

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
SALEM CARE CENTER

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 722,722	\$ 722,722										
010	Housekeeping	88,349	2,818	\$ 91,167									
060	Laundry and Linen	8,735	9,002	1,140	\$ 18,877								
065	Dietary	528,242	16,233	2,056	0	\$ 546,530							
155	Social Services	0	1,526	193	0	0	\$ 1,720						
160	Activities	51,742	1,654	209	0	0	0	\$ 53,605					
165	Administration	N/A	6,458	818	0	0	0	0		\$ 7,276	\$ 7,276		
166	Medical Records	5,657	1,370	173	0	0	0	0		7,200		\$ 7,200	
170	Inservice Education - Nursing	0	881	112	0	0	0	0	\$ 992				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	34,050	1,027	130	0	0	0	0	0	35,207	31	31	\$ 35,269
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	208,494	4,550	576	0	0	0	0	0	213,620	222	220	214,062
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	133,316	3,708	470	0	0	0	0	0	137,494	121	120	137,735
083	Speech Pathology	94,529	1,027	130	0	0	0	0	0	95,686	81	80	95,847
085	Pharmacy	101,227	235	30	0	0	0	0	0	101,492	84	83	101,659
090	Laboratory	11,712	0	0	0	0	0	0	0	11,712	10	10	11,731
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	3,085	0	0	0	0	0	0	0	3,085	3	3	3,090
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	161,325	97,602	12,360	11,511	164,912	1,720	53,605	992	504,026	2,900	2,870	509,797 *
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	26,354	573,281	72,599	7,366	381,619	0	0	0	1,061,219	3,733	3,694	1,068,646
140	Beauty and Barber	2,212	0	0	0	0	0	0	0	2,212	2	2	2,216
145	Other Nonreimbursable	20,021	1,350	171	0	0	0	0	0	21,542	89	88	21,720
	<b>TOTAL</b>	<b>\$ 2,201,772</b>	<b>\$ 722,722</b>	<b>\$ 91,167</b>	<b>\$ 18,877</b>	<b>\$ 546,530</b>	<b>\$ 1,720</b>	<b>\$ 53,605</b>	<b>\$ 992</b>	<b>\$ 2,187,296</b>	<b>\$ 7,276</b>	<b>\$ 7,200</b>	<b>\$ 2,201,772</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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)	\$ 1,061,797	98%							
	Property Tax (line 40)	17,446	2%	\$ 1,079,243						
005	Plant Operations and Maintenance			8,567	\$ 8,567					
010	Housekeeping			4,175	33	\$ 4,208				
060	Laundry and Linen			13,336	107	53	\$ 13,495			
065	Dietary			24,048	192	95	0	\$ 24,335		
155	Social Services			2,261	18	9	0	0	\$ 2,288	
160	Activities			2,450	20	10	0	0	0	\$ 2,479
165	Administration			9,567	77	38	0	0	0	0
166	Medical Records			2,029	16	8	0	0	0	0
170	Inservice Education - Nursing			1,305	10	5	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			1,522	12	6	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			6,740	54	27	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			5,494	44	22	0	0	0	0
083	Speech Pathology			1,522	12	6	0	0	0	0
085	Pharmacy			348	3	1	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			144,592	1,157	571	8,229	7,343	2,288	2,479
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			849,287	6,795	3,351	5,266	16,992	0	0
140	Beauty and Barber			0	0	0	0	0	0	0
145	Other Nonreimbursable			2,000	16	8	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,079,243</b>	<b>100%</b>	<b>\$ 1,079,243</b>	<b>\$ 8,567</b>	<b>\$ 4,208</b>	<b>\$ 13,495</b>	<b>\$ 24,335</b>	<b>\$ 2,288</b>	<b>\$ 2,479</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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 98% Of Total	Property Tax 2% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 1,061,797	98%							
	Property Tax (line 40)	17,446	2%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 9,681	\$ 9,681				
166	Medical Records				2,054		\$ 2,054			
170	Inservice Education - Nursing			\$ 1,320						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	1,540	41	9	\$ 1,590	\$ 1,565	\$ 26
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	6,821	296	63	7,179	7,063	116
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	5,559	161	34	5,754	5,661	93
083	Speech Pathology			0	1,540	108	23	1,671	1,644	27
085	Pharmacy			0	352	112	24	488	480	8
090	Laboratory			0	0	13	3	16	15	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	3	1	4	4	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			1,320	167,979	3,859	819	172,657	169,866	2,791
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	881,692	4,967	1,054	887,712	873,362	14,350
140	Beauty and Barber			0	0	2	1	3	3	0
145	Other Nonreimbursable			0	2,024	119	25	2,168	2,133	35
	<b>TOTAL</b>	\$ 1,079,243	100%	\$ 1,320	\$ 1,067,508	\$ 9,681	\$ 2,054	\$ 1,079,243	\$ 1,061,797	\$ 17,446

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
SALEM CARE CENTER

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 98% of Total	DPH Licensing Fees 0% of Total	Professional Liability Ins. 1% of Total	Quality Assur. Fees 0% of Total	Caregiver Training 0% of Total
	<b>GENERAL SERVICES</b>													
045	Property Insurance	\$ 39,962												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	2,271,832												
	Total Costs Allocable as Administration	2,311,794	98%											
167	CDPH Licensing Fees	10,971	0%											
168	Professional Liability Insurance	28,634	1%											
169	Quality Assurance Fees	0	0%											
174	Caregiver Training	0	0%											
	Total	2,351,399	100%						\$ 2,351,399					
	<b>ANCILLARY SERVICES</b>													
075	Patient Supplies			\$ -	\$ 1,085	\$ 35,207	\$ 1,540	\$ 37,833	10,063	\$ 9,893	\$ 47	\$ 123	\$ -	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			44,882	4,804	213,620	6,821	270,127	71,849	70,639	335	875	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	3,916	137,494	5,559	146,969	39,091	38,433	182	476	0	0
083	Speech Pathology			0	1,085	95,686	1,540	98,312	26,149	25,709	122	318	0	0
085	Pharmacy			0	248	101,492	352	102,092	27,155	26,697	127	331	0	0
090	Laboratory			0	0	11,712	0	11,712	3,115	3,063	15	38	0	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	3,085	0	3,085	821	807	4	10	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
	<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care			2,395,187	456,812	504,026	167,979	3,524,004	937,322	921,534	4,373	11,414	0	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			1,448,059	1,144,633	1,061,219	881,692	4,535,603	1,206,389	1,186,069	5,629	14,691	0	0
140	Beauty and Barber			0	0	2,212	0	2,212	588	578	3	7	0	0
145	Other Nonreimbursable			83,502	1,426	21,542	2,024	108,494	28,858	28,371	135	351	0	0
	<b>SUBTOTAL</b>	\$ 2,351,399		\$ 3,971,630	\$ 1,614,008	\$ 2,187,296	\$ 1,067,508	\$ 8,840,443	\$ 2,351,399					
	Total Administrative Costs							\$ 2,351,399		\$ 2,311,794	\$ 10,971	\$ 28,634	\$ -	\$ -
	Unit Cost Multiplier							0.26598205						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 75,902	\$ 14,476	\$ 11,735	\$ 102,112							
	<b>TOTAL FACILITY COSTS</b>							\$ 11,293,954						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
SALEM CARE CENTER

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 9)	Plant Ops (SQ FT) 5 (Adj 9)	Hskpng (SQ FT) 10 (Adj 9)	Laundry (LBS) 60 (Adj 10)	Dietary (MEALS) 65 (Adj 11)	Soc Srvs (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	591									
010	Housekeeping	288	288								
060	Laundry and Linen	920	920	920							
065	Dietary	1,659	1,659	1,659							
155	Social Services	156	156	156							
160	Activities	169	169	169							
165	Administration	660	660	660							
166	Medical Records	140	140	140							
170	Inservice Education - Nursing	90	90	90							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	105	105	105						37,833	37,833
077	Specialized Support Surfaces									0	0
080	Physical Therapy	465	465	465						270,127	270,127
081	Respiratory Therapy									0	0
082	Occupational Therapy	379	379	379						146,969	146,969
083	Speech Pathology	105	105	105						98,312	98,312
085	Pharmacy	24	24	24						102,092	102,092
090	Laboratory									11,712	11,712
095	Home Health Services									0	0
100	Other Ancillary Services									3,085	3,085
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	9,975	9,975	9,975	86,632	49,086	2,151,067	2,151,067	2,151,067	3,524,004	3,524,004
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	58,590	58,590	58,590	55,432	113,589				4,535,603	4,535,603
140	Beauty and Barber									2,212	2,212
145	Other Nonreimbursable	138	138	138						108,494	108,494
	<b>TOTAL STATISTICS</b>	<b>74,454</b>	<b>73,863</b>	<b>73,575</b>	<b>142,064</b>	<b>162,675</b>	<b>2,151,067</b>	<b>2,151,067</b>	<b>2,151,067</b>	<b>8,840,443</b>	<b>8,840,443</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						\$ 109,106 0.050721805	\$ 296,339 0.137763724			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		\$ 334,261 4.52541868	\$ 427,215 5.80652831	\$ 98,850 0.69581591	\$ 717,091 4.40811864	\$ 1,612 0.00074930	\$ 1,746 0.00081174	\$ 73,736 0.03427874	\$ 6,819 0.00077135	\$ 69,082 0.00781437
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		\$ 722,722 9.78462830	\$ 91,167 1.23910259	\$ 18,877 0.13287555	\$ 546,530 3.35964573	\$ 1,720 0.00079947	\$ 53,605 0.02492020	\$ 992 0.00046123	\$ 7,276 0.00082300	\$ 7,200 0.00081448
	<b>TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	\$ 1,079,243 14.49543342	\$ 8,567 0.11598231	\$ 4,208 0.05719453	\$ 13,495 0.09499325	\$ 24,335 0.14959413	\$ 2,288 0.00106380	\$ 2,479 0.00115245	\$ 1,320 0.00061373	\$ 9,681 0.00109511	\$ 2,054 0.00023230

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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	\$ 37,962	\$ 222,979	\$ 260,941	(Sch 3)
005	.20-.39	Fringe Benefits	6200	10,667	62,653	73,320	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	105,143	617,579	722,722	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 153,772	\$ 903,211	\$ 1,056,983	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 44,679	\$ 262,427	\$ 307,106	(Sch 3)
010	.20-.39	Fringe Benefits	6300	17,284	101,522	118,806	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	12,853	75,496	88,349	(Sch 4)
010		Housekeeping - Total	6300	\$ 74,816	\$ 439,445	\$ 514,261	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 264,498	\$ 410,869	\$ 675,367	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	0	0	0	(Sch 5)
025		Depreciation: Equipment	7140	66,689	87,062	153,751	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	0	0	0	(Sch 5)
040		Property Taxes	7300	2,538	14,908	17,446	(Sch 5)
045		Property Insurance	7400	5,814	34,148	39,962	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	43,986	188,693	232,679	(Sch 6)
055		Interest - Other	7600	\$ 0	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 612,113	\$ 2,078,336	\$ 2,690,449	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 47,313	\$ 30,274	\$ 77,587	(Sch 3)
060	.20-.39	Fringe Benefits	6400	7,170	4,588	11,758	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	5,327	3,408	8,735	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 59,810	\$ 38,270	\$ 98,080	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 165,512	\$ 383,008	\$ 548,520	(Sch 3)
065	.20-.39	Fringe Benefits	6500	45,693	105,737	151,430	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	170,221	358,021	528,242	(Sch 4)
065		Dietary - Total	6500	\$ 381,426	\$ 846,766	\$ 1,228,192	
070		Provision for Bad Debts	7700	\$ 0	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 0	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	0	0	0	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	34,050	0	34,050	(Sch 4)
075		Patient Supplies - Total	8100	\$ 34,050	\$ 0	\$ 34,050	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	0	0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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	\$ 34,333	\$ 0	\$ 34,333	(Sch 2)
080	.20-.39	Fringe Benefits	8200	10,549	0	10,549	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	208,494	0	208,494	(Sch 4)
080		Physical Therapy - Total	8200	\$ 253,376	\$ 0	\$ 253,376	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	0	0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 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	133,316	0	133,316	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 133,316	\$ 0	\$ 133,316	
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	94,529	0	94,529	(Sch 4)
083		Speech Pathology - Total	8280	\$ 94,529	\$ 0	\$ 94,529	
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	101,227	0	101,227	(Sch 4)
085		Pharmacy - Total	8300	\$ 101,227	\$ 0	\$ 101,227	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	11,712	0	11,712	(Sch 4)
090		Laboratory - Total	8400	\$ 11,712	\$ 0	\$ 11,712	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	3,085	0	3,085	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 3,085	\$ 0	\$ 3,085	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 631,295	\$ 0	\$ 631,295	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,639,410	0	\$ 1,639,410	(Sch 2)
105	.20-.39	Fringe Benefits	6110	348,434	0	348,434	(Sch 2)
105	.49	Agency Staff	6110	1,898	0	1,898	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	178,921	(17,596)	161,325	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,168,663	\$ (17,596)	\$ 2,151,067	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	0	0	
110		Intermediate Care - Total	6120	\$ 0	\$ 0	\$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	\$ 0	\$ 0	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	0	0	
115		Mentally Disordered Care - Total	6130	\$ 0	\$ 0	\$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	\$ 0	\$ 0	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	0	0	
120		Developmentally Disabled Care - Total	6140	\$ 0	\$ 0	\$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	\$ 0	\$ 0	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	0	0	(Sch 4)
125		Subacute Care - Total	6150	\$ 0	\$ 0	\$ 0	
126		Subacute Care - Pediatric					
126	.01-.19	Salaries and Wages	6160	\$ 0	\$ 0	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
128		Transitional Inpatient Care					
128	.01-.19	Salaries and Wages	6170	\$ 0	\$ 0	\$ 0	
128	.20-.39	Fringe Benefits	6170	0	0	0	
128	.49	Agency Staff	6170	0	0	0	
128	.40-.99	Other - Nonlabor	6170	0	0	0	
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0	(Sch 2)
130		Hospice Inpatient Care					
130	.01-.19	Salaries and Wages	6180	\$ 0	\$ 0	\$ 0	
130	.20-.39	Fringe Benefits	6180	0	0	0	
130	.49	Agency Staff	6180	0	0	0	
130	.40-.99	Other - Nonlabor	6180	0	0	0	
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0	(Sch 2)
135		Other Routine Services					
135	.01-.19	Salaries and Wages	6190	\$ 0	\$ 0	\$ 0	
135	.20-.39	Fringe Benefits	6190	0	0	0	
135	.49	Agency Staff	6190	0	0	0	
135	.40-.99	Other - Nonlabor	6190	0	0	0	
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0	(Sch 2)
		<b>Other Nonreimbursable</b>					
139		Residential Care					
139	.01-.19	Salaries and Wages	9100	\$ 0	\$ 1,120,921	\$ 1,120,921	(Sch 2)
139	.20-.39	Fringe Benefits	9100	0	327,138	327,138	(Sch 2)
139	.49	Agency Staff	9100	0	0	0	(Sch 2)
139	.40-.99	Other - Nonlabor	9100	0	26,354	26,354	(Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 1,474,413	\$ 1,474,413	
140		Beauty and Barber					
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
140	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
140	.49	Agency Staff	8900	0	0	0	(Sch 2)
140	.40-.99	Other - Nonlabor	8900	1,325	887	2,212	(Sch 4)
140		Beauty and Barber - Total	8900	\$ 1,325	\$ 887	\$ 2,212	
145		Other Nonreimbursable					
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 72,766	\$ 72,766	(Sch 2)
145	.20-.39	Fringe Benefits	9100	0	10,736	10,736	(Sch 2)
145	.49	Agency Staff	9100	0	0	0	(Sch 2)
145	.40-.99	Other - Nonlabor	9100	0	20,021	20,021	(Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 103,523	\$ 103,523	
146		<b>Subtotal 105 - 145</b>		\$ 2,169,988	\$ 1,561,227	\$ 3,731,215	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	\$ 64,326	\$ 25,594	\$ 89,920	(Sch 2)
155	.20-.39	Fringe Benefits	6600	13,699	5,487	19,186	(Sch 2)
155	.49	Agency Staff	6600	0	0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	0	0	0	(Sch 4)
155		Social Services - Total	6600	\$ 78,025	\$ 31,081	\$ 109,106	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SALEM CARE CENTER

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

Provider NPI:  
1609867746

OSHPD Facility Number:  
206014077

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	\$ 156,591	\$ 66,916	\$ 223,507	(Sch 2)
160	.20-.39	Fringe Benefits	6700	47,347	25,485	72,832	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	29,012	22,730	51,742	(Sch 4)
160		Activities - Total	6700	\$ 232,950	\$ 115,131	\$ 348,081	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 200,116	\$ 279,500	\$ 479,616	(Sch 6)
165	.20-.39	Fringe Benefits	6900	50,181	70,214	120,395	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	1,037,006	634,815	1,671,821	(Sch 6)
165		Administration - Total	6900	\$ 1,287,303	\$ 984,529	\$ 2,271,832	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 45,724	\$ 11,149	\$ 56,873	(Sch 3)
166	.20-.39	Fringe Benefits	6900	10,763	0	10,763	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	5,657	0	5,657	(Sch 4)
166		Medical Records - Total	6900	\$ 62,144	\$ 11,149	\$ 73,293	
167		CDPH Licensing Fees	6900	\$ 10,971	\$ 0	\$ 10,971	(Sch 6)
168		Professional Liability Insurance	6900	\$ 28,634	\$ 0	\$ 28,634	(Sch 6)
169		Quality Assurance Fees	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 60,402	\$ 0	\$ 60,402	(Sch 3)
170	.20-.39	Fringe Benefits	6800	12,404	0	12,404	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	0	0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 72,806	\$ 0	\$ 72,806	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 1,772,833	\$ 1,141,890	\$ 2,914,723	
200		<b>Total</b>		\$ 5,627,465	\$ 5,666,489	\$ 11,293,954	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 577,085	
-----	------	---	------	--	--	------------	--

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









Provider Name							Fiscal Period			Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011			1609867746		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.						
<b><u>MEMORANDUM ADJUSTMENT</u></b>												
1	N/A			8	210	N/A	Total Facility Group Health Insurance To include Group Health Insurance in the audit report for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$577,085	\$577,085

Provider Name							Fiscal Period		Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1609867746		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.					
<b><u>RECLASSIFICATION OF REPORTED COSTS</u></b>											
2	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$178,921	(\$17,596)	\$161,325	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	1,037,006	17,596	1,054,602 *	
							To reclassify the licenses and fees expenses to the proper cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1609867746		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.				
<b>ADJUSTMENTS TO REPORTED COSTS</b>										
3	10.5	139	1	8A-1	139	1	Residential Care - Salaries and Wages	\$0	\$1,120,921	\$1,120,921
	10.5	139	2	8A-1	139	2	Residential Care - Fringe Benefit	0	327,138	327,138
	10.5	139	4	8A-1	139	4	Residential Care - Other - Nonlabo	0	26,354	26,354
4	10.5	005	1	8A-1	005	1	Plant Operations and Maintenance - Salaries and Wages	\$37,962	\$222,979	\$260,941
	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	10,667	62,653	73,320
	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	105,143	623,936	729,079 *
	10.5	010	1	8A-1	010	1	Housekeeping - Salaries and Wages	44,679	262,427	307,106
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	17,284	101,522	118,806
	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor	12,853	75,496	88,349
	10.5	015	4	8A-1	015	4	Depreciation - Buildings and Improvements	264,498	410,869	675,367
	10.5	025	4	8A-1	025	4	Depreciation - Equipment	66,689	71,538	138,227 *
	10.5	040	4	8A-1	040	4	Property Taxes	2,538	14,908	17,446
	10.5	045	4	8A-1	045	4	Property Insurance	5,814	34,148	39,962
	10.5	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment	43,986	258,360	302,346 *
	10.5	060	1	8A-1	060	1	Laundry and Linen - Salaries and Wages	47,313	30,274	77,587
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	7,170	4,588	11,758
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor	5,327	3,408	8,735
	10.5	065	1	8A-1	065	1	Dietary - Salaries and Wages	165,512	383,008	548,520
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	45,693	105,737	151,430
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	170,221	394,933	565,154 *
	10.5	155	1	8A-1	155	1	Social Services - Salaries and Wages	64,326	25,594	89,920
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	13,699	5,487	19,186
	10.5	160	1	8A-1	160	1	Activities - Salaries and Wages	156,591	66,916	223,507
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	47,347	25,485	72,832
	10.5	160	4	8A-1	160	4	Activities - Other - Nonlabor	29,012	22,730	51,742

-Continued on next page-

Provider Name							Fiscal Period		Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1609867746		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.					
-Continued from previous page-											
4	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	\$200,116	\$311,490	\$511,606 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	50,181	74,934	125,115 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 1,054,602	840,604	1,895,206 *	
	10.5	166	1	8A-1	166	1	Medical Records - Salaries and Wages	45,724	11,149	56,873	
<p>To include the direct costs of residential care and to reverse the provider's reported elimination of residential care expenses for proper cost determination.                      42 CFR 413.20 and 413.24                      CMS Pub. 15-1, Sections 2300 and 2304                      CCR, Title 22, Section 51511.2                      OSHPD LTC Manual, Section 4020.4</p>											
5	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	* \$729,079	(\$6,357)	\$722,722	
	10.5	025	4	8A-1	025	4	Depreciation - Equipment	* 138,227	15,524	153,751	
	10.5	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment	* 302,346	(69,667)	232,679	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	* 511,606	(31,990)	479,616	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 125,115	(4,720)	120,395	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 1,895,206	(223,385)	1,671,821	
<p>To include the reported residential care's share of Provider's adjustments for proper cost determination.                      42 CFR 413.20 and 413.24                      CMS Pub. 15-1, Sections 2300 and 2304                      CCR, Title 22, Section 51511.2                      OSHPD LTC Manual, Section 4020.4</p>											
6	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	* \$565,154	(\$36,912)	\$528,242	
<p>To abate residential care cafeteria revenue against related costs.                      42 CFR 413.9, 413.20 and 413.24                      CMS Pub. 15-1, Sections 2300, 2304, and 2328D</p>											

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1609867746		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.				
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>										
7	10.5	145	1	8A-1	145	1	Other Nonreimbursable - Salaries and Wages	\$0	\$72,766	\$72,766
	10.5	145	2	8A-1	145	2	Other Nonreimbursable - Fringe Benefits	0	10,736	10,736
	10.5	145	4	8A-1	145	4	Other Nonreimbursable - Other - Nonlabor To include Fund Development costs that were eliminated as nonreimbursable expenses for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304, and 2328	0	20,021	20,021
8	10.5	140	4	8A-1	140	4	Beauty and Barber - Other - Nonlabor To include beauty and barber expense to agree with the provider's expense trial balance. 42 CFR 413.9, 413.20, and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$1,325	\$887	\$2,212

Provider Name							Fiscal Period		Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1609867746		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.					
<b><u>ADJUSTMENTS TO REPORTED STATISTICS</u></b>											
9	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	0	591	591	
	10.7	010	1, 2	7	010	N/A	Housekeeping	0	288	288	
	10.7	060	1, 2, 3	7	060	N/A	Laundry and Linen	0	920	920	
	10.7	065	1, 2, 3	7	065	N/A	Dietary	0	1,659	1,659	
	10.7	075	1, 2, 3	7	075	N/A	Patient Supplies	0	105	105	
	10.7	085	1, 2, 3	7	085	N/A	Pharmacy	0	24	24	
	10.7	139	1, 2, 3	7	139	N/A	Residential Care	0	58,590	58,590	
	10.7	145	1, 2, 3	7	145	N/A	Other Nonreimbursable	0	138	138	
	10.7	155	1, 2, 3	7	155	N/A	Social Services	0	156	156	
	10.7	160	1, 2, 3	7	160	N/A	Activities	0	169	169	
	10.7	165	1, 2, 3	7	165	N/A	Administration	0	660	660	
	10.7	166	1, 2, 3	7	166	N/A	Medical Records	0	140	140	
	10.7	170	1, 2, 3	7	170	N/A	Inservice Education - Nursing	0	90	90	
	10.7	175	1	7	N/A	N/A	Total Statistics - Square Feet - Capital	10,924	63,530	74,454	
	10.7	175	2	7	N/A	N/A	Total Statistics - Square Feet - Plant Operations and Maintenance	10,924	62,939	73,863	
	10.7	175	3	7	N/A	N/A	Total Statistics - Square Feet - Housekeeping	10,924	62,651	73,575	
To adjust square feet statistics to agree with the provider's records and to prior year's audited statistics. 42 CFR 413.19 and 413.24 CMS Pub. 15-1, Sections 2304 and 2306											
10	10.7	139	4	7	139	N/A	Residential Care (Laundry Pounds)	0	55,432	55,432	
	10.7	175	4	7	N/A	N/A	Total Statistics - Laundry Pounds	86,632	55,432	142,064	
To include Residential Care laundry pounds statistics to agree with the provider's records. 42 CFR 413.19 and 413.24 CMS Pub. 15-1, Sections 2304 and 2306											
11	10.7	139	5	7	139	N/A	Residential Care (Patient Meals)	0	113,589	113,589	
	10.7	175	5	7	N/A	N/A	Total Statistics - Patient Meals	49,086	113,589	162,675	
To include Residential Care patient meals statistics to agree with the provider's records. 42 CFR 413.19 and 413.24 CMS Pub. 15-1, Sections 2304 and 2306											

Provider Name							Fiscal Period			Provider NPI		Adjustments
SALEM CARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011			1609867746		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.						
<b><u>ADJUSTMENT TO REPORTED PATIENT DAYS</u></b>												
12	4.1	5	2	1	15	N/A	Medi-Cal Days		2,925	(23)	2,902	
							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: July 1, 2010 through June 30, 2011 Payment Period: July 1, 2010 through April 17, 2013 Report Date: April 19, 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					