

**REPORT
ON THE
RATE SETTING AUDIT**

**SANTA CRUZ HEALTHCARE CENTER
SANTA CRUZ, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1750396248**

**FISCAL PERIOD ENDED
JUNE 30, 2011**

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

**Section Chief: Michael Harrold
Auditor: Sandy Feng**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 24, 2013

Donna Dornbrook
Corporate Director of Reimbursement
Kindred Healthcare, Inc.
680 South Fourth Street
Louisville, Kentucky 40202

SANTA CRUZ HEALTHCARE CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1750396248
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. We also examined the facility's use of and Records of Noncovered Services deducted from patient share of cost. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and 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, patient days, and use of share of cost for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$3,409, which resulted from Medi-Cal overpayments
3. Allocation of Home Office Cost

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

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

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

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

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

Donna Dornbrook
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If you have questions regarding this report, you may call the Audits Section—Fresno at (559) 446-2458.

Original Signed By

Michael A. Harrold, Chief
Audits Section—Fresno
Financial Audits Branch

Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility No.:
206440809

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SKILLED NURSING CARE				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 5,555,356	\$ 113.17
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,135,628	\$ 23.13
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 796,218	\$ 16.22
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 1,617,519	\$ 32.95
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 46,465	\$ 0.95
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 34,831	\$ 0.71
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 39,834	\$ 0.81
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 525,333	\$ 10.70
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 1,197,544	\$ 24.40
11	Cost of Routine Service/Audited Total Costs	\$ 11,020,525.00	\$ 10,948,727	\$ 223.04
12	Total Patient Days (Adj 8)	49,087	49,088	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 224.51	\$ 223.04	
14	Overpayments (Adj 11)	\$ 0	\$ (3,409)	
15	Medi-Cal Days (Adj 9)	32,590	460	
16	Medi-Cal Managed Care Days (Adj 10)		32,055	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj)		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj)		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj)		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$	\$ 0	
SUBACUTE CARE				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility No.:
206440809

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

**ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR**

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility No.:
206440809

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
	GENERAL SERVICES				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 92,681	\$ 92,681		
160	Activities	103,055		\$ 103,055	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	ANCILLARY SERVICES				
075	Patient Supplies	4,458	0	0	4,458
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	ROUTINE SERVICES				
105	Skilled Nursing Care	5,359,620	92,681	103,055	5,555,356 *
110	Intermediate Care	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0 *
125	Subacute Care	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0 *
128	Transitional Inpatient Care	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0 *
135	Other Routine Services	0	0	0	0 *
	NONREIMBURSABLE				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	TOTAL	\$ 5,559,814	\$ 92,681	\$ 103,055	\$ 5,559,814

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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 Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 67,618	\$ 67,618										
010	Housekeeping	227,886	1,067	\$ 228,953									
060	Laundry and Linen	149,034	2,450	8,430	\$ 159,915								
065	Dietary	544,352	5,215	17,942	0	\$ 567,510							
155	Social Services	N/A	346	1,190	0	0	\$ 1,536						
160	Activities	N/A	2,636	9,070	0	0	0	\$ 11,706					
165	Administration	N/A	3,631	12,493	0	0	0	0		\$ 16,124	\$ 16,124		
166	Medical Records	82,193	575	1,977	0	0	0	0		84,745		\$ 84,745	
170	Inservice Education - Nursing	100,041	721	2,479	0	0	0	0	\$ 103,240				
ANCILLARY SERVICES													
075	Patient Supplies		529	1,820	0	0	0	0	0	2,349	63	331	\$ 2,743
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	1	4	5
080	Physical Therapy		1,604	5,518	0	0	0	0	0	7,123	906	4,764	12,793
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		1,335	4,594	0	0	0	0	0	5,929	771	4,050	10,749
083	Speech Pathology		209	718	0	0	0	0	0	927	179	938	2,044
085	Pharmacy		0	0	0	0	0	0	0	0	587	3,085	3,671
090	Laboratory		0	0	0	0	0	0	0	0	97	509	606
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services		109	374	0	0	0	0	0	482	126	663	1,271
101	Subacute Care Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care		46,876	161,265	159,915	567,510	1,536	11,706	103,240	1,052,049	13,360	70,219	1,135,628 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		257	885	0	0	0	0	0	1,143	32	166	1,340
145	Other Nonreimbursable		57	197	0	0	0	0	0	254	3	16	273
	TOTAL	\$ 1,171,124	\$ 67,618	\$ 228,953	\$ 159,915	\$ 567,510	\$ 1,536	\$ 11,706	\$ 103,240	\$ 1,070,255	\$ 16,124	\$ 84,745	\$ 1,171,124

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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 Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 267,260	\$ 267,260										
010	Housekeeping	19,839	4,215	\$ 24,054									
060	Laundry and Linen	24,260	9,685	886	\$ 34,831								
065	Dietary	349,538	20,614	1,885	0	\$ 372,037							
155	Social Services	1,163	1,367	125	0	0	\$ 2,656						
160	Activities	10,752	10,420	953	0	0	0	\$ 22,125					
165	Administration	N/A	14,353	1,313	0	0	0	0		\$ 15,666	\$ 15,666		
166	Medical Records	3,697	2,272	208	0	0	0	0		6,176		\$ 6,176	
170	Inservice Education - Nursing	2,009	2,848	260	0	0	0	0	\$ 5,117				
ANCILLARY SERVICES													
075	Patient Supplies	18,929	2,091	191	0	0	0	0	0	21,211	61	24	\$ 21,296
077	Specialized Support Surfaces	553	0	0	0	0	0	0	0	553	1	0	554
080	Physical Therapy	550,278	6,340	580	0	0	0	0	0	557,198	881	347	558,426
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	468,797	5,278	483	0	0	0	0	0	474,557	749	295	475,601
083	Speech Pathology	112,206	825	75	0	0	0	0	0	113,106	173	68	113,348
085	Pharmacy	393,403	0	0	0	0	0	0	0	393,403	570	225	394,198
090	Laboratory	64,976	0	0	0	0	0	0	0	64,976	94	37	65,107
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	80,624	429	39	0	0	0	0	0	81,093	122	48	81,264
101	Subacute Care Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care	139,132	185,278	16,943	34,831	372,037	2,656	22,125	5,117	778,120	12,980	5,118	796,218 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	12,003	1,017	93	0	0	0	0	0	13,113	31	12	13,156
145	Other Nonreimbursable	0	226	21	0	0	0	0	0	247	3	1	251
	TOTAL	\$ 2,519,419	\$ 267,260	\$ 24,054	\$ 34,831	\$ 372,037	\$ 2,656	\$ 22,125	\$ 5,117	\$ 2,497,577	\$ 15,666	\$ 6,176	\$ 2,519,419

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 1,743,851	97%							
	Property Tax (line 40)	50,094	3%	\$ 1,793,945						
005	Plant Operations and Maintenance			42,873	\$ 42,873					
010	Housekeeping			27,620	676	\$ 28,296				
060	Laundry and Linen			63,459	1,554	1,042	\$ 66,054			
065	Dietary			135,062	3,307	2,217	0	\$ 140,587		
155	Social Services			8,960	219	147	0	0	\$ 9,326	
160	Activities			68,272	1,672	1,121	0	0	0	\$ 71,064
165	Administration			94,040	2,302	1,544	0	0	0	0
166	Medical Records			14,884	364	244	0	0	0	0
170	Inservice Education - Nursing			18,660	457	306	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			13,699	335	225	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			41,541	1,017	682	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			34,580	847	568	0	0	0	0
083	Speech Pathology			5,405	132	89	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			2,814	69	46	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
ROUTINE SERVICES										
105	Skilled Nursing Care			1,213,932	29,722	19,931	66,054	140,587	9,326	71,064
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			6,664	163	109	0	0	0	0
145	Other Nonreimbursable			1,481	36	24	0	0	0	0
	TOTAL	\$ 1,793,945	100%	\$ 1,793,945	\$ 42,873	\$ 28,296	\$ 66,054	\$ 140,587	\$ 9,326	\$ 71,064

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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 97% Of Total	Property Tax 3% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 1,743,851	97%							
	Property Tax (line 40)	50,094	3%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 97,887	\$ 97,887				
166	Medical Records				15,492		\$ 15,492			
170	Inservice Education - Nursing			\$ 19,423						
	ANCILLARY SERVICES									
075	Patient Supplies			0	14,259	383	61	\$ 14,703	\$ 14,292	\$ 411
077	Specialized Support Surfaces			0	0	5	1	6	6	0
080	Physical Therapy			0	43,240	5,502	871	49,613	48,228	1,385
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	35,995	4,678	740	41,412	40,256	1,156
083	Speech Pathology			0	5,627	1,084	172	6,882	6,690	192
085	Pharmacy			0	0	3,563	564	4,127	4,012	115
090	Laboratory			0	0	588	93	682	663	19
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	2,929	765	121	3,815	3,709	107
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105	Skilled Nursing Care			19,423	1,570,039	81,108	12,837	1,663,984	1,617,519	46,465
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	NONREIMBURSABLE									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	6,937	192	30	7,159	6,959	200
145	Other Nonreimbursable			0	1,542	18	3	1,563	1,519	44
	TOTAL	\$ 1,793,945	100%	\$ 19,423	\$ 1,680,566	\$ 97,887	\$ 15,492	\$ 1,793,945	\$ 1,743,851	\$ 50,094

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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. 67% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 2% of Total	Quality Assur. Fees 29% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 17,681												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,427,601												
	Total Costs Allocable as Administration	1,445,282	67%											
167	CDPH Licensing Fees	42,037	2%											
168	Professional Liability Insurance	48,074	2%											
169	Quality Assurance Fees	634,009	29%											
174	Caregiver Training	0	0%											
	Total	2,169,402	100%						\$ 2,169,402					
ANCILLARY SERVICES														
075	Patient Supplies			\$ 4,458	\$ 2,349	\$ 21,211	\$ 14,259	\$ 42,277	8,486	\$ 5,653	\$ 164	\$ 188	\$ 2,480	\$ -
077	Specialized Support Surfaces			0	0	553	0	553	111	74	2	2	32	0
080	Physical Therapy			0	7,123	557,198	43,240	607,560	121,948	81,243	2,363	2,702	35,639	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	5,929	474,557	35,995	516,481	103,667	69,064	2,009	2,297	30,297	0
083	Speech Pathology			0	927	113,106	5,627	119,660	24,018	16,001	465	532	7,019	0
085	Pharmacy			0	0	393,403	0	393,403	78,963	52,606	1,530	1,750	23,077	0
090	Laboratory			0	0	64,976	0	64,976	13,042	8,689	253	289	3,811	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	482	81,093	2,929	84,504	16,961	11,300	329	376	4,957	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES														
105	Skilled Nursing Care			5,555,356	1,052,049	778,120	1,570,039	8,955,563	1,797,542	1,197,544	34,831	39,834	525,333	0*
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0*
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0*
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0*
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0*
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0*
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0*
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,143	13,113	6,937	21,193	4,254	2,834	82	94	1,243	0
145	Other Nonreimbursable			0	254	247	1,542	2,042	410	273	8	9	120	0
	SUBTOTAL	\$ 2,169,402		\$ 5,559,814	\$ 1,070,255	\$ 2,497,577	\$ 1,680,566	\$ 10,808,212	\$ 2,169,402					
	Total Administrative Costs							\$ 2,169,402		\$ 1,445,282	\$ 42,037	\$ 48,074	\$ 634,009	\$ -
	Unit Cost Multiplier							0.20071793						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 100,869	\$ 21,842	\$ 113,379	\$ 236,090							
	TOTAL FACILITY COSTS							\$ 13,213,704						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 7)	Plant Ops (SQ FT) 5 (Adj 2,7)	Hskpng (SQ FT) 10 (Adj 2,7)	Laundry (LBS) 60 (Adj)	Dietary (MEALS) 65 (Adj)	Soc Srvs (DIRECT EXP) 155 (Adj)	Activities (DIRECT EXP) 160 (Adj)	Inserv. Ed (DIRECT EXP) 170 (Adj)	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	579									
010	Housekeeping	373	373								
060	Laundry and Linen	857	857	857							
065	Dietary	1,824	1,824	1,824							
155	Social Services	121	121	121							
160	Activities	922	922	922							
165	Administration	1,270	1,270	1,270							
166	Medical Records	201	201	201							
170	Inservice Education - Nursing	252	252	252							
	ANCILLARY SERVICES										
075	Patient Supplies	185	185	185						42,277	42,277
077	Specialized Support Surfaces									553	553
080	Physical Therapy	561	561	561						607,560	607,560
081	Respiratory Therapy									0	0
082	Occupational Therapy	467	467	467						516,481	516,481
083	Speech Pathology	73	73	73						119,660	119,660
085	Pharmacy									393,403	393,403
090	Laboratory									64,976	64,976
095	Home Health Services									0	0
100	Other Ancillary Services	38	38	38						84,504	84,504
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	16,394	16,394	16,394	97,454	146,181	5,498,752	5,498,752	5,498,752	8,955,563	8,955,563
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	90	90	90						21,193	21,193
145	Other Nonreimbursable	20	20	20						2,042	2,042
	TOTAL STATISTICS	24,227	23,648	23,275	97,454	146,181	5,498,752	5,498,752	5,498,752	10,808,212	10,808,212
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 92,681	\$ 103,055			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.016854915	0.018741525			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 67,618	\$ 228,953	\$ 159,915	\$ 567,510	\$ 1,536	\$ 11,706	\$ 103,240	\$ 16,124	\$ 84,745
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		2.85935386	9.83684378	1.64092435	3.88224095	0.00027938	0.00212883	0.01877525	0.00149184	0.00784079
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 267,260	\$ 24,054	\$ 34,831	\$ 372,037	\$ 2,656	\$ 22,125	\$ 5,117	\$ 15,666	\$ 6,176
	UNIT COST MULTIPLIER (INDIRECT OTHER)		11.30158999	1.03349057	0.35741133	2.54504475	0.00048294	0.00402363	0.00093066	0.00144941	0.00057145
	TOTAL CAPITAL COSTS - SCH. 5	\$ 1,793,945	\$ 42,873	\$ 28,296	\$ 66,054	\$ 140,587	\$ 9,326	\$ 71,064	\$ 19,423	\$ 97,887	\$ 15,492
	UNIT COST MULTIPLIER (CAPITAL COSTS)	74.04734387	1.81298258	1.21572081	0.67779847	0.96173039	0.00169606	0.01292368	0.00353229	0.00905669	0.00143338

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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	\$ 41,128	\$ 0	\$ 41,128	(Sch 3)
005	.20-.39	Fringe Benefits	6200	26,626	(136)	26,490	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	267,260	0	267,260	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 335,014	\$ (136)	\$ 334,878	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300		0	0	(Sch 3)
010	.79	Agency Staff	6300	227,886	0	227,886	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	19,839	0	19,839	(Sch 4)
010		Housekeeping - Total	6300	\$ 247,725	\$ 0	\$ 247,725	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 1,177	\$ 0	\$ 1,177	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	107,691	0	107,691	(Sch 5)
025		Depreciation: Equipment	7140	14,219	0	14,219	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	1,620,764	0	1,620,764	(Sch 5)
040		Property Taxes	7300	50,094	0	50,094	(Sch 5)
045		Property Insurance	7400	17,681	0	17,681	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		Subtotal 005 - 055		\$ 2,394,365	\$ (136)	\$ 2,394,229	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400		0	0	(Sch 3)
060	.79	Agency Staff	6400	149,034	0	149,034	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	24,260	0	24,260	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 173,294	\$ 0	\$ 173,294	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 355,954	\$ 0	\$ 355,954	(Sch 3)
065	.20-.39	Fringe Benefits	6500	189,574	(1,176)	188,398	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	349,538	0	349,538	(Sch 4)
065		Dietary - Total	6500	\$ 895,066	\$ (1,176)	\$ 893,890	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 3,139	\$ 0	\$ 3,139	(Sch 2)
075	.20-.39	Fringe Benefits	8100	1,319	0	1,319	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	18,929	0	18,929	(Sch 4)
075		Patient Supplies - Total	8100	\$ 23,387	\$ 0	\$ 23,387	
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	553	0	553	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 553	\$ 0	\$ 553	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200		0	0	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	550,278	0	550,278	(Sch 4)
080		Physical Therapy - Total	8200	\$ 550,278	\$ 0	\$ 550,278	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250		0	0	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	468,797	0	468,797	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 468,797	\$ 0	\$ 468,797	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280		0	0	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	112,206	0	112,206	(Sch 4)
083		Speech Pathology - Total	8280	\$ 112,206	\$ 0	\$ 112,206	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300		0	0	(Sch 2)
085	.79	Agency Staff	8300		0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	392,628	775	393,403	(Sch 4)
085		Pharmacy - Total	8300	\$ 392,628	\$ 775	\$ 393,403	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400		0	0	(Sch 2)
090	.79	Agency Staff	8400		0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	64,976	0	64,976	(Sch 4)
090		Laboratory - Total	8400	\$ 64,976	\$ 0	\$ 64,976	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900		0	0	(Sch 2)
100	.79	Agency Staff	8900		0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	80,624	0	80,624	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 80,624	\$ 0	\$ 80,624	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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		\$ 1,693,449	\$ 775	\$ 1,694,224	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 3,811,053	\$ (29,598)	\$ 3,781,455	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,603,213	(25,048)	1,578,165	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	139,907	(775)	139,132	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 5,554,173	\$ (55,421)	\$ 5,498,752	
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 HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		Other Nonreimbursable				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900		0	0 (Sch 2)
140	.49	Agency Staff	8900		0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	12,003	0	12,003 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 12,003	\$ 0	\$ 12,003
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		Subtotal 105 - 145		\$ 5,566,176	\$ (55,421)	\$ 5,510,755
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 67,475	\$ 0	\$ 67,475 (Sch 2)
155	.20-.39	Fringe Benefits	6600	25,429	(223)	25,206 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	1,163	0	1,163 (Sch 4)
155		Social Services - Total	6600	\$ 94,067	\$ (223)	\$ 93,844

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
SANTA CRUZ HEALTHCARE CENTER

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

Provider NPI:
1750396248

OSHPD Facility Number:
206440809

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	\$ 67,596	\$ 0	\$ 67,596	(Sch 2)
160	.20-.39	Fringe Benefits	6700	35,682	(223)	35,459	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	10,752	0	10,752	(Sch 4)
160		Activities - Total	6700	\$ 114,030	\$ (223)	\$ 113,807	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 377,709	\$ 29,598	\$ 407,307	(Sch 6)
165	.20-.39	Fringe Benefits	6900	76,614	27,028	103,642	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	887,664	28,988	916,652	(Sch 6)
165		Administration - Total	6900	\$ 1,341,987	\$ 85,614	\$ 1,427,601	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 57,209	\$ 0	\$ 57,209	(Sch 3)
166	.20-.39	Fringe Benefits	6900	24,984	0	24,984	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	3,697	0	3,697	(Sch 4)
166		Medical Records - Total	6900	\$ 85,890	\$ 0	\$ 85,890	
167		CDPH Licensing Fees	6900	\$ 42,037	\$ 0	\$ 42,037	(Sch 6)
168		Professional Liability Insurance	6900	\$ 48,074	\$ 0	\$ 48,074	(Sch 6)
169		Quality Assurance Fees	6900	\$ 634,009	\$ 0	\$ 634,009	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 67,344	\$ 0	\$ 67,344	(Sch 3)
170	.20-.39	Fringe Benefits	6800	32,919	(222)	32,697	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	2,009	0	2,009	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 102,272	\$ (222)	\$ 102,050	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		Subtotal 155 - 174		\$ 2,462,366	\$ 84,946	\$ 2,547,312	
200		Total		\$ 13,184,716	\$ 28,988	\$ 13,213,704	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 795,315	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name							Fiscal Period		Provider NPI		Adjustments
SANTA CRUZ HEALTHCARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1750396248		11
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					
MEMORANDUM ADJUSTMENTS											
1	N/A			8	210	N/A	Total Facility Group Health Insurance To include Group Health Insurance in the aud for informational purposes only 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$795,315	\$795,315	
2	10.7	005	2,3	7	005	N/A	Plant Operations and Maintenance (Square Feet)	1,521	(1,521)	0	
	10.7	010	3	7	010	N/A	Housekeeping	145	(145)	0	
	10.7	175	2	7	N/A	N/A	Total Statistic - Plant Operations	26,671	(1,521)	25,150 *	
	10.7	175	3	7	N/A	N/A	Total Statistic - Housekeeping To correct reported square feet statistic on schedule 10.7 columns 2 through 3 for proper reporting. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2306	26,671	(1,666)	25,005 *	

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI	Adjustments		
SANTA CRUZ HEALTHCARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1750396248	11		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>											
3	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$139,907	(\$775)	\$139,132	
	10.5	085	4	8A-1	085	4	Pharmacy - Other - Nonlabor	392,628	775	393,403	
							To reverse the provider's cost report reclassification of nonlegend drugs for proper matching of revenue and expense and due to insufficient documentation. 42 CFR 413.5, 413.20, 413.24, 413.50 and 413.53 CMS Pub. 15-1, Sections 2202.4, 2206, 2300, 2302.6 and 2304 OSHPD LTC Manual, Chapter 1000, Section 1021				
4	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$3,811,053	(\$29,598)	\$3,781,455	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	1,603,213	(12,451)	1,590,762 *	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	377,709	29,598	407,307	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	76,614	12,451	89,065 *	
							To reclassify case manager salary and benefits expense to the appropriate cost centers for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000				
5	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$26,626	(\$136)	\$26,490	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	189,574	(1,176)	188,398	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 1,590,762	(12,597)	1,578,165	
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	25,429	(223)	25,206	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	35,682	(223)	35,459	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	32,919	(222)	32,697	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 89,065	14,577	103,642	
							To adjust the provider's adjustments prior to the cost report for expenses that are administrative in nature and to agree with the trial balance. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 OSHPD LTC Manual, Chapter 3000, Section 3220.2				

Provider Name							Fiscal Period		Provider NPI		Adjustments
SANTA CRUZ HEALTHCARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1750396248		11
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<u>ADJUSTMENT TO REPORTED COSTS</u>											
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust home office costs to agree with the as filed Kindred Health Care, Inc. Home Office Cost Reports for fiscal periods ended 12/31/2010 and 12/31/2011. 42 CFR 413.17, 413.20 and 413.24 CMS Pub. 15-1, Sections 2150.2, 2300 and 2304	\$887,664	\$28,988	\$916,652	

Provider Name							Fiscal Period			Provider NPI		Adjustments
SANTA CRUZ HEALTHCARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011			1750396248		11
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Cost Report			Audit Report								
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO REPORTED STATISTICS</u>												
7	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	1,521	(942)	579		
	10.7	010	1,2	7	010	N/A	Housekeeping	145	228	373		
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	658	199	857		
	10.7	065	1,2,3	7	065	N/A	Dietary	3,353	(1,529)	1,824		
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	180	5	185		
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	371	190	561		
	10.7	082	1,2,3	7	082	N/A	Occupational Therapy	327	140	467		
	10.7	083	1,2,3	7	083	N/A	Speech Pathology	64	9	73		
	10.7	100	1,2,3	7	100	N/A	Other Ancillary Services	0	38	38		
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	16,407	(13)	16,394		
	10.7	140	1,2,3	7	140	N/A	Beauty and Barber	85	5	90		
	10.7	145	1,2,3	7	145	N/A	Other Nonreimbursable	0	20	20		
	10.7	155	1,2,3	7	155	N/A	Social Services	1,859	(1,738)	121		
	10.7	160	1,2,3	7	160	N/A	Activities	4	918	922		
	10.7	165	1,2,3	7	165	N/A	Administration	1,409	(139)	1,270		
	10.7	166	1,2,3	7	166	N/A	Medical Records	288	(87)	201		
	10.7	170	1,2,3	7	170	N/A	Inservice Education - Nursing	0	252	252		
	10.7	175	1	7	N/A	N/A	Total Statistic - Capital	26,671	(2,444)	24,227		
	10.7	175	2	7	N/A	N/A	Total Statistic - Plant Operations	*	25,150	(1,502)	23,648	
	10.7	175	3	7	N/A	N/A	Total Statistic - Housekeeping	*	25,005	(1,730)	23,275	
To adjust reported square footage to agree with provider's records for proper allocation of indirect costs. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300, 2304 and 2306												

Provider Name							Fiscal Period	Provider NPI	Adjustments		
SANTA CRUZ HEALTHCARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1750396248	11		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u>											
8	11(2)	105	1	1	12	N/A	Total Patient Days To adjust total patient days to agree with the provider's census reports. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300 and 2304	49,087	1	49,088	
9	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 Fiscal Intermediary Payment Data: Report Date: 10/16/2012 Service Period: 07/01/2010 through 06/30/2011 Payment Period: 07/01/2010 through 09/30/2012 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64 and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404 and 2408 CCR, Title 22, Section 51541	32,590	(32,130)	460	
10	N/A			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	32,055	32,055	

Provider Name							Fiscal Period			Provider NPI		Adjustments
SANTA CRUZ HEALTHCARE CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011			1750396248		11
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO OTHER MATTERS</u>												
11	N/A			1	14	N/A	Medi-Cal Overpayments To recover outstanding Medi-Cal credit balances. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1			\$0	\$3,409	\$3,409