

**REPORT  
ON THE  
RATE SETTING AUDIT**

**SHIELDS NURSING CENTER  
EL CERRITO, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1831185735**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Louise Wong  
Audit Supervisor: Jesse Duran  
Auditor: Marilyn Clark**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

June 3, 2013

Angie Goward  
Finance Manager  
Shields Nursing Centers, Inc.  
606 Alfred Nobel Drive  
Hercules, CA 94547

SHIELDS NURSING CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1831185735  
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data records, 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 that include a summary of the total due the State in the amount of \$44,051 which resulted from Medi-Cal overpayments

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

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

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

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

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:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility No.:  
206073627

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	\$ 1,680,395	\$ 121.22
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 465,144	\$ 33.56
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 301,564	\$ 21.75
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 185,353	\$ 13.37
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 17,420	\$ 1.26
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 7,974	\$ 0.58
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 25,782	\$ 1.86
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 146,263	\$ 10.55
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 439,523	\$ 31.71
11	Cost of Routine Service/Audited Total Costs	\$ 3,281,864	\$ 3,269,418	\$ 235.85
12	Total Patient Days (Adj )	13,862	13,862	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 236.75	\$ 235.85	
14	Overpayments (Adjs 7, 8)	\$ 0	\$ (44,051)	
15	Medi-Cal Days (Adj 5)	10,482	10,331	
16	Medi-Cal Managed Care Days (Adj 6)		29	
<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:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility No.:  
206073627

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:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility No.:  
206073627

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	\$ 77,363	\$ 77,363		
160	Activities	36,150		\$ 36,150	
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	301,950	0	0	301,950
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	190,812	0	0	190,812
083	Speech Pathology	26,370	0	0	26,370
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	1,566,882	77,363	36,150	1,680,395 *
110	Intermediate Care	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0 *
125	Subacute Care	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0 *
128	Transitional Inpatient Care	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0 *
135	Other Routine Services	0	0	0	0 *
<b>NONREIMBURSABLE</b>					
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 2,199,527</b>	<b>\$ 77,363</b>	<b>\$ 36,150</b>	<b>\$ 2,199,527</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
SHIELDS NURSING CENTER

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ -	\$ -										
010	Housekeeping	163,320	-	\$ 163,320									
060	Laundry and Linen	93,508	0	6,345	\$ 99,853								
065	Dietary	186,518	0	4,669	0	\$ 191,187							
155	Social Services	N/A	0	2,634	0	0	\$ 2,634						
160	Activities	N/A	0	4,669	0	0	0	\$ 4,669					
165	Administration	N/A	0	10,265	0	0	0	0		\$ 10,265	\$ 10,265		
166	Medical Records	37,382	0	479	0	0	0	0		37,861		\$ 37,861	
170	Inservice Education - Nursing	11,305	0	0	0	0	0	0	\$ 11,305				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		0	3,113	0	0	0	0	0	3,113	154	569	\$ 3,836
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	8	31	39
080	Physical Therapy		0	1,945	0	0	0	0	0	1,945	945	3,486	6,377
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		0	1,945	0	0	0	0	0	1,945	604	2,229	4,778
083	Speech Pathology		0	1,945	0	0	0	0	0	1,945	100	368	2,413
085	Pharmacy		0	2,634	0	0	0	0	0	2,634	383	1,412	4,429
090	Laboratory		0	0	0	0	0	0	0	0	41	152	194
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	25	91	116
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		0	118,188	99,853	191,187	2,634	4,669	11,305	427,835	7,958	29,351	465,144 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
<b>NONREIMBURSABLE</b>													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		0	4,489	0	0	0	0	0	4,489	47	172	4,708
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 492,033	\$ -	\$ 163,320	\$ 99,853	\$ 191,187	\$ 2,634	\$ 4,669	\$ 11,305	\$ 443,907	\$ 10,265	\$ 37,861	\$ 492,033

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
SHIELDS NURSING CENTER

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 112,047	\$ 112,047										
010	Housekeeping	12,746	0	\$ 12,746									
060	Laundry and Linen	6,677	4,353	495	\$ 11,525								
065	Dietary	99,406	3,203	364	0	\$ 102,973							
155	Social Services	1,320	1,807	206	0	0	\$ 3,332						
160	Activities	6,838	3,203	364	0	0	0	\$ 10,405					
165	Administration	N/A	7,043	801	0	0	0	0		\$ 7,844	\$ 7,844		
166	Medical Records	828	329	37	0	0	0	0		1,194		\$ 1,194	
170	Inservice Education - Nursing	2,132	0	0	0	0	0	0	\$ 2,132				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	40,427	2,135	243	0	0	0	0	0	42,805	118	18	\$ 42,941
077	Specialized Support Surfaces	2,701	0	0	0	0	0	0	0	2,701	6	1	2,708
080	Physical Therapy	0	1,335	152	0	0	0	0	0	1,486	722	110	2,319
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	1,335	152	0	0	0	0	0	1,486	462	70	2,018
083	Speech Pathology	0	1,335	152	0	0	0	0	0	1,486	76	12	1,574
085	Pharmacy	116,458	1,807	206	0	0	0	0	0	118,470	293	45	118,807
090	Laboratory	13,457	0	0	0	0	0	0	0	13,457	32	5	13,493
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	8,046	0	0	0	0	0	0	0	8,046	19	3	8,068
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	73,882	81,084	9,224	11,525	102,973	3,332	10,405	2,132	294,558	6,081	926	301,564 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
<b>NONREIMBURSABLE</b>													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	975	3,080	350	0	0	0	0	0	4,405	36	5	4,446
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 497,940</b>	<b>\$ 112,047</b>	<b>\$ 12,746</b>	<b>\$ 11,525</b>	<b>\$ 102,973</b>	<b>\$ 3,332</b>	<b>\$ 10,405</b>	<b>\$ 2,132</b>	<b>\$ 488,902</b>	<b>\$ 7,844</b>	<b>\$ 1,194</b>	<b>\$ 497,940</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital Various	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 209,011	91%							
	Property Tax (line 40)	19,643	9%	\$ 228,654						
005	Plant Operations and Maintenance			0	\$ -					
010	Housekeeping			0	0	\$ -				
060	Laundry and Linen			8,883	0	0	\$ 8,883			
065	Dietary			6,537	0	0	0	\$ 6,537		
155	Social Services			3,687	0	0	0	0	\$ 3,687	
160	Activities			6,537	0	0	0	0	0	\$ 6,537
165	Administration			14,372	0	0	0	0	0	0
166	Medical Records			670	0	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			4,358	0	0	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			2,724	0	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			2,724	0	0	0	0	0	0
083	Speech Pathology			2,724	0	0	0	0	0	0
085	Pharmacy			3,687	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			165,467	0	0	8,883	6,537	3,687	6,537
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			6,285	0	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 228,654</b>	<b>100%</b>	<b>\$ 228,654</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,883</b>	<b>\$ 6,537</b>	<b>\$ 3,687</b>	<b>\$ 6,537</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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 91% Of Total	Property Tax 9% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 209,011	91%							
	Property Tax (line 40)	19,643	9%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 14,372	\$ 14,372				
166	Medical Records				670		\$ 670			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	4,358	216	10	\$ 4,584	\$ 4,190	\$ 394
077	Specialized Support Surfaces			0	0	12	1	12	11	1
080	Physical Therapy			0	2,724	1,323	62	4,109	3,756	353
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	2,724	846	39	3,609	3,299	310
083	Speech Pathology			0	2,724	140	7	2,870	2,623	247
085	Pharmacy			0	3,687	536	25	4,248	3,883	365
090	Laboratory			0	0	58	3	60	55	5
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	35	2	36	33	3
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			0	191,111	11,142	520	202,772	185,353	17,420
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	<b>NONREIMBURSABLE</b>									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	6,285	65	3	6,353	5,808	546
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 228,654	100%	\$ -	\$ 213,612	\$ 14,372	\$ 670	\$ 228,654	\$ 209,011	\$ 19,643

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
SHIELDS NURSING CENTER

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 71% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 4% of Total	Quality Assur. Fees 24% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 3,684												
055	Interest - Other	2,344												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	560,926												
	Total Costs Allocable as Administration	566,954	71%											
167	CDPH Licensing Fees	10,286	1%											
168	Professional Liability Insurance	33,257	4%											
169	Quality Assurance Fees	188,669	24%											
174	Caregiver Training	0	0%											
	Total	799,166	100%						\$ 799,166					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 3,113	\$ 42,805	\$ 4,358	\$ 50,276	12,008	\$ 8,519	\$ 155	\$ 500	\$ 2,835	\$ -
077	Specialized Support Surfaces			0	0	2,701	0	2,701	645	458	8	27	152	0
080	Physical Therapy			301,950	1,945	1,486	2,724	308,105	73,590	52,207	947	3,062	17,373	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			190,812	1,945	1,486	2,724	196,967	47,045	33,375	606	1,958	11,106	0
083	Speech Pathology			26,370	1,945	1,486	2,724	32,525	7,769	5,511	100	323	1,834	0
085	Pharmacy			0	2,634	118,470	3,687	124,791	29,806	21,145	384	1,240	7,037	0
090	Laboratory			0	0	13,457	0	13,457	3,214	2,280	41	134	759	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	8,046	0	8,046	1,922	1,363	25	80	454	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			1,680,395	427,835	294,558	191,111	2,593,899	619,542	439,523	7,974	25,782	146,263	0
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	4,489	4,405	6,285	15,180	3,626	2,572	47	151	856	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 799,166		\$ 2,199,527	\$ 443,907	\$ 488,902	\$ 213,612	\$ 3,345,947	\$ 799,166					
	Total Administrative Costs							\$ 799,166		\$ 566,954	\$ 10,286	\$ 33,257	\$ 188,669	\$ -
	Unit Cost Multiplier							0.23884595						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 48,126	\$ 9,038	\$ 15,042	\$ 72,207							
	<b>TOTAL FACILITY COSTS</b>							\$ 4,217,320						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
SHIELDS NURSING CENTER

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5	Hskpng (SQ FT) 10	Laundry (LBS) 60	Dietary (MEALS) 65	Soc Svcs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	Inserv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance										
010	Housekeeping										
060	Laundry and Linen	212	212	212							
065	Dietary	156	156	156							
155	Social Services	88	88	88							
160	Activities	156	156	156							
165	Administration	343	343	343							
166	Medical Records	16	16	16							
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	104	104	104						50,276	50,276
077	Specialized Support Surfaces									2,701	2,701
080	Physical Therapy	65	65	65						308,105	308,105
081	Respiratory Therapy									0	0
082	Occupational Therapy	65	65	65						196,967	196,967
083	Speech Pathology	65	65	65						32,525	32,525
085	Pharmacy	88	88	88						124,791	124,791
090	Laboratory									13,457	13,457
095	Home Health Services									0	0
100	Other Ancillary Services									8,046	8,046
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	3,949	3,949	3,949	136,100	40,830	1,640,764	1,640,764	1,640,764	2,593,899	2,593,899
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	<b>NONREIMBURSABLE</b>										
139	Residential Care									0	0
140	Beauty and Barber	150	150	150						15,180	15,180
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	5,457	5,457	5,457	136,100	40,830	1,640,764	1,640,764	1,640,764	3,345,947	3,345,947
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 77,363 0.047150596	\$ 36,150 0.022032419			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ - 0.000000000	\$ 163,320 29.92853216	\$ 99,853 0.73367266	\$ 191,187 4.68250921	\$ 2,634 0.00160517	\$ 4,669 0.00284554	\$ 11,305 0.00689008	\$ 10,265 0.00306804	\$ 37,861 0.01131544
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 112,047 20.53271028	\$ 12,746 2.33571560	\$ 11,525 0.08468116	\$ 102,973 2.52200525	\$ 3,332 0.00203102	\$ 10,405 0.00634185	\$ 2,132 0.00129940	\$ 7,844 0.00234429	\$ 1,194 0.00035682
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 228,654 41.90104453	\$ - 0.000000000	\$ - 0.000000000	\$ 8,883 0.06526834	\$ 6,537 0.16009216	\$ 3,687 0.00224730	\$ 6,537 0.00398385	\$ - 0.000000000	\$ 14,372 0.00429536	\$ 670 0.00020037

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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	\$ 0	\$ 0	\$ 0	(Sch 3)
005	.20-.39	Fringe Benefits	6200	0	0	0	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	112,047	0	112,047	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 112,047	\$ 0	\$ 112,047	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 119,625	\$ 0	\$ 119,625	(Sch 3)
010	.20-.39	Fringe Benefits	6300	43,695	0	43,695	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	12,746	0	12,746	(Sch 4)
010		Housekeeping - Total	6300	\$ 176,066	\$ 0	\$ 176,066	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 0	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	8,933	0	8,933	(Sch 5)
025		Depreciation: Equipment	7140	6,084	0	6,084	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	193,994	0	193,994	(Sch 5)
040		Property Taxes	7300	19,643	0	19,643	(Sch 5)
045		Property Insurance	7400	3,684	0	3,684	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	0	0	0	(Sch 6)
055		Interest - Other	7600	\$ 2,344	\$ 0	\$ 2,344	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 522,795	\$ 0	\$ 522,795	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 64,319	\$ 0	\$ 64,319	(Sch 3)
060	.20-.39	Fringe Benefits	6400	29,189	0	29,189	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	6,677	0	6,677	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 100,185	\$ 0	\$ 100,185	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 135,430	\$ 0	\$ 135,430	(Sch 3)
065	.20-.39	Fringe Benefits	6500	51,088	0	51,088	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	99,406	0	99,406	(Sch 4)
065		Dietary - Total	6500	\$ 285,924	\$ 0	\$ 285,924	
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	40,427	0	40,427	(Sch 4)
075		Patient Supplies - Total	8100	\$ 40,427	\$ 0	\$ 40,427	
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	2,701	0	2,701	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 2,701	\$ 0	\$ 2,701	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$ 0	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	301,950	0	301,950	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	0	0	0	(Sch 4)
080		Physical Therapy - Total	8200	\$ 301,950	\$ 0	\$ 301,950	
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	190,812	0	190,812	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	0	0	0	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 190,812	\$ 0	\$ 190,812	
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	26,370	0	26,370	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	0	0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 26,370	\$ 0	\$ 26,370	
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	116,458	0	116,458	(Sch 4)
085		Pharmacy - Total	8300	\$ 116,458	\$ 0	\$ 116,458	
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	13,457	0	13,457	(Sch 4)
090		Laboratory - Total	8400	\$ 13,457	\$ 0	\$ 13,457	
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	8,046	0	8,046	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 8,046	\$ 0	\$ 8,046	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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		\$ 700,221	\$ 0	\$ 700,221	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,168,509	\$ (13,282)	\$ 1,155,227	(Sch 2)
105	.20-.39	Fringe Benefits	6110	416,727	(5,072)	411,655	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	73,882	0	73,882	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,659,118	\$ (18,354)	\$ 1,640,764	
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:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
139	.49	Agency Staff	9100	0	0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100	0	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	\$ 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	975	0	975 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 975	\$ 0	\$ 975
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
145	.49	Agency Staff	9100	0	0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 1,660,093	\$ (18,354)	\$ 1,641,739
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 55,908	\$ 0	\$ 55,908 (Sch 2)
155	.20-.39	Fringe Benefits	6600	21,455	0	21,455 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	1,320	0	1,320 (Sch 4)
155		Social Services - Total	6600	\$ 78,683	\$ 0	\$ 78,683

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
SHIELDS NURSING CENTER

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

Provider NPI:  
1831185735

OSHPD Facility Number:  
206073627

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	\$ 26,265	\$ 0	\$ 26,265	(Sch 2)
160	.20-.39	Fringe Benefits	6700	9,885	0	9,885	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	6,838	0	6,838	(Sch 4)
160		Activities - Total	6700	\$ 42,988	\$ 0	\$ 42,988	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 131,939	\$ (4,266)	\$ 127,673	(Sch 6)
165	.20-.39	Fringe Benefits	6900	55,877	(1,494)	54,383	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	368,576	10,294	378,870	(Sch 6)
165		Administration - Total	6900	\$ 556,392	\$ 4,534	\$ 560,926	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 31,361	\$ 0	\$ 31,361	(Sch 3)
166	.20-.39	Fringe Benefits	6900	6,021	0	6,021	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	828	0	828	(Sch 4)
166		Medical Records - Total	6900	\$ 38,210	\$ 0	\$ 38,210	
167		CDPH Licensing Fees	6900	\$ 10,286	\$ 0	\$ 10,286	(Sch 6)
168		Professional Liability Insurance	6900	\$ 33,257	\$ 0	\$ 33,257	(Sch 6)
169		Quality Assurance Fees	6900	\$ 188,669	\$ 0	\$ 188,669	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 9,629	\$ 0	\$ 9,629	(Sch 3)
170	.20-.39	Fringe Benefits	6800	1,676	0	1,676	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	2,132	0	2,132	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 13,437	\$ 0	\$ 13,437	
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>		\$ 961,922	\$ 4,534	\$ 966,456	
200		<b>Total</b>		\$ 4,231,140	\$ (13,820)	\$ 4,217,320	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 207,594	
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\* For informational purposes only, this amount is included in various cost centers above.

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

Provider Name:  
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Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
083	4	Speech Pathology - Other - Nonlabor	0							
085	1	Pharmacy - Salaries and Wages	0							
085	2	Pharmacy - Fringe Benefits	0							
085	3	Pharmacy - Agency Staff	0							
085	4	Pharmacy - Other - Nonlabor	0							
090	1	Laboratory - Salaries and Wages	0							
090	2	Laboratory - Fringe Benefits	0							
090	3	Laboratory - Agency Staff	0							
090	4	Laboratory - Other - Nonlabor	0							
095	1	Home Health Services - Salaries and Wages	0							
095	2	Home Health Services - Fringe Benefits	0							
095	3	Home Health Services - Agency Staff	0							
095	4	Home Health Services - Other - Nonlabor	0							
100	1	Other Ancillary Services - Salaries and Wages	0							
100	2	Other Ancillary Services - Fringe Benefits	0							
100	3	Other Ancillary Services - Agency Staff	0							
100	4	Other Ancillary Services - Other - Nonlabor	0							
101	1	Subacute Care Ancillary Services - Salaries and Wages	0							
101	2	Subacute Care Ancillary Services - Fringe Benefits	0							
101	3	Subacute Care Ancillary Services - Agency Staff	0							
101	4	Subacute Care Ancillary Services - Other - Nonlabor	0							
102	1	Subacute Pediatric Ancillary Services - Salaries and Wages	0							
102	2	Subacute Pediatric Ancillary Services - Fringe Benefits	0							
102	3	Subacute Pediatric Ancillary Services - Agency Staff	0							
102	4	Subacute Pediatric Ancillary Services - Other - Nonlabor	0							
105	1	Skilled Nursing Care - Salaries and Wages	(13,282)	(13,282)						
105	2	Skilled Nursing Care - Fringe Benefits	(5,072)	(5,072)						
105	3	Skilled Nursing Care - Agency Staff	0							
105	4	Skilled Nursing Care - Other - Nonlabor	0							
110	1	Intermediate Care - Salaries and Wages	0							
110	2	Intermediate Care - Fringe Benefits	0							
110	3	Intermediate Care - Agency Staff	0							
110	4	Intermediate Care - Other - Nonlabor	0							
115	1	Mentally Disordered Care - Salaries and Wages	0							
115	2	Mentally Disordered Care - Fringe Benefits	0							
115	3	Mentally Disordered Care - Agency Staff	0							
115	4	Mentally Disordered Care - Other - Nonlabor	0							
120	1	Developmentally Disabled Care - Salaries and Wages	0							
120	2	Developmentally Disabled Care - Fringe Benefits	0							
120	3	Developmentally Disabled Care - Agency Staff	0							
120	4	Developmentally Disabled Care - Other - Nonlabor	0							
125	1	Subacute Care - Salaries and Wages	0							
125	2	Subacute Care - Fringe Benefits	0							
125	3	Subacute Care - Agency Staff	0							
125	4	Subacute Care - Other - Nonlabor	0							
126	1	Subacute Care - Pediatric - Salaries and Wages	0							
126	2	Subacute Care - Pediatric - Fringe Benefits	0							
126	3	Subacute Care - Pediatric - Agency Staff	0							
126	4	Subacute Care - Pediatric - Other - Nonlabor	0							

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Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
128	1	Transitional Inpatient Care - Salaries and Wages	0							
128	2	Transitional Inpatient Care - Fringe Benefits	0							
128	3	Transitional Inpatient Care - Agency Staff	0							
128	4	Transitional Inpatient Care - Other - Nonlabor	0							
130	1	Hospice Inpatient Care - Salaries and Wages	0							
130	2	Hospice Inpatient Care - Fringe Benefits	0							
130	3	Hospice Inpatient Care - Agency Staff	0							
130	4	Hospice Inpatient Care - Other - Nonlabor	0							
135	1	Other Routine Services - Salaries and Wages	0							
135	2	Other Routine Services - Fringe Benefits	0							
135	3	Other Routine Services - Agency Staff	0							
135	4	Other Routine Services - Other - Nonlabor	0							
139	1	Residential Care - Salaries and Wages	0							
139	2	Residential Care - Fringe Benefits	0							
139	3	Residential Care - Agency Staff	0							
139	4	Residential Care - Other - Nonlabor	0							
140	1	Beauty and Barber - Salaries and Wages	0							
140	2	Beauty and Barber - Fringe Benefits	0							
140	3	Beauty and Barber - Agency Staff	0							
140	4	Beauty and Barber - Other - Nonlabor	0							
145	1	Other Nonreimbursable - Salaries and Wages	0							
145	2	Other Nonreimbursable - Fringe Benefits	0							
145	3	Other Nonreimbursable - Agency Staff	0							
145	4	Other Nonreimbursable - Other - Nonlabor	0							
155	1	Social Services - Salaries and Wages	0							
155	2	Social Services - Fringe Benefits	0							
155	3	Social Services - Agency Staff	0							
155	4	Social Services - Other - Nonlabor	0							
160	1	Activities - Salaries and Wages	0							
160	2	Activities - Fringe Benefits	0							
160	3	Activities - Agency Staff	0							
160	4	Activities - Other - Nonlabor	0							
165	1	Administration - Salaries and Wages	(4,266)	13,282	(17,548)					
165	2	Administration - Fringe Benefits	(1,494)	5,072	(6,566)					
165	3	Administration - Agency Staff	0							
165	4	Administration - Other - Nonlabor	10,294		(1,048)	11,342				
166	1	Medical Records - Salaries and Wages	0							
166	2	Medical Records - Fringe Benefits	0							
166	3	Medical Records - Agency Staff	0							
166	4	Medical Records - Other - Nonlabor	0							
167	4	CDPH Licensing Fees	0							
168	4	Professional Liability Insurance	0							
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	0							
170	3	Inservice Education - Nursing - Agency Staff	0							
170	4	Inservice Education - Nursing - Other - Nonlabor	0							
174	1	Caregiver Training - Salaries and Wages	0							
174	2	Caregiver Training - Fringe Benefits	0							

Provider Name:  
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Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff	0							
174	4	Caregiver Training - Other - Nonlabor	0							
200			(\$13,820)	0	(25,162)	11,342	0	0	0	0
Total			(To Sch 8)							

Provider Name							Fiscal Period	Provider NPI	Adjustments	
SHIELDS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1831185735	8	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.				
<u>MEMORANDUM ADJUSTMENT</u>										
1	N/A			8	210	N/A	Total Facility Group Health Insurance To include Group Health Insurance in the audit report for information purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$207,594	\$207,594

Provider Name							Fiscal Period		Provider NPI		Adjustments
SHIELDS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1831185735		8
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	165	1	8A-1	165	1	Administration - Salaries and Wages	\$131,939	\$13,282	\$145,221 *	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	55,877	5,072	60,949 *	
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	1,168,509	(13,282)	1,155,227	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	416,727	(5,072)	411,655	
							To reclassify central supply expenses to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
SHIELDS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1831185735		8	
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>											
3	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	*	\$145,221	(\$17,548)	\$127,673
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	60,949	(6,566)	54,383
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor		368,576	(1,048)	367,528 *
							To eliminate Admission Department costs which should have been accounted in the home office cost report for proper costs allocation. 42 CFR 413.5, 413.9, and 413.24 CMS Pub. 15-1, Sections 2136.2, 2300, 2304, and 2328				
4	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$367,528	\$11,342	\$378,870
							To adjust the home office costs to account for allowable Admission Department costs for proper cost determination. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2136.2, 2150.2, and 2304				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
SHIELDS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1831185735		8
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 PATIENT DAYS</b>											
5	4.1	5	2	1	15	N/A	Medi-Cal Patient Days To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2010 through December 31, 2011 Payment Period: January 1, 2010 through February 25, 2013 Report Date: March 14, 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	10,482	(151)	10,331	
6	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	29	29	

Provider Name							Fiscal Period	Provider NPI		Adjustments
SHIELDS NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1831185735		8
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 OTHER MATTERS</u></b>										
7	Not Reported			1	14	N/A	Medi-Cal Overpayments To recover Medi-Cal overpayments for the days of death and discharge. 42 CFR 433.139, 413.20 and 413.24 and 431.07 CMS Pub. 15-1, Sections 2205.1 and 2409 CCR, Title 22, Section 51458.1	\$0	\$2,957	\$2,957 *
8	Not Reported			1	14	N/A	Medi-Cal Overpayments To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1	*	\$2,957	\$41,094 \$44,051

\*Balance carried forward from prior/to subsequent adjustments