

**REPORT
ON THE
RATE SETTING AUDIT**

**ROYAL CARE SKILLED NURSING CENTER
LONG BEACH, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1053453902**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Margaret A. Varho
Audit Supervisor: Felipe Avila
Auditor: Ron Leiss**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

Date: May 9, 2013

Carol Sparks
Director of Reimbursement
Covenant Care, Inc.
27071 Aliso Creek Road, Suite 100
Aliso Viejo, CA 92656

ROYAL CARE SKILLED NURSING CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1053453902
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 reports, prior fiscal period's Medi-Cal program audit report, and Medicare audit report for the current fiscal period, if applicable and available.

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

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$21,793, 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.

Carol Sparks
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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 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.

If you have questions regarding this report, you may call the Audits Section—Santa Ana at (714) 558-4434.

(Original signed by Margaret Varho)

Margaret A. Varho, Chief
Audits Section—Santa Ana
Financial Audits Branch
Certified

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility No.:
206190663

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	\$ 2,899,849	\$ 98.50
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 713,570	\$ 24.24
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 609,897	\$ 20.72
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 543,302	\$ 18.45
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 23,005	\$ 0.78
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 19,204	\$ 0.65
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 62,863	\$ 2.14
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 326,507	\$ 11.09
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 735,125	\$ 24.97
11	Cost of Routine Service/Audited Total Costs	\$ 5,937,144.00	\$ 5,933,321	\$ 201.54
12	Total Patient Days (Adj)	29,440	29,440	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 201.67	\$ 201.54	
14	Overpayments (Adj 7)	\$ 0	\$ (21,793)	
15	Medi-Cal Days (Adj 6)	22,557	22,331	
16	Medi-Cal Managed Care Days (Adj)		0	
INTERMEDIATE CARE				
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	
MENTALLY DISORDERED CARE				
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	
DEVELOPMENTALLY DISABLED CARE				
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	
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:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility No.:
206190663

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	\$ 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	
HOSPICE INPATIENT CARE				
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	
OTHER ROUTINE SERVICES				
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:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility No.:
206190663

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
GENERAL SERVICES					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 99,189	\$ 99,189		
160	Activities	79,669		\$ 79,669	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
ANCILLARY SERVICES					
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
ROUTINE SERVICES					
105	Skilled Nursing Care	2,720,991	99,189	79,669	2,899,849
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	\$ 2,899,849	\$ 99,189	\$ 79,669	\$ 2,899,849

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 55,225	\$ 55,225										
010	Housekeeping	173,786	1,470	\$ 175,256									
060	Laundry and Linen	76,367	1,501	4,893	\$ 82,761								
065	Dietary	297,175	5,918	19,294	0	\$ 322,386							
155	Social Services	N/A	351	1,144	0	0	\$ 1,495						
160	Activities	N/A	1,298	4,232	0	0	0	\$ 5,531					
165	Administration	N/A	2,518	8,211	0	0	0	0	\$ 10,729	\$ 10,729			
166	Medical Records	79,409	1,271	4,143	0	0	0	0	84,823		\$ 84,823		
170	Inservice Education - Nursing	67,808	390	1,271	0	0	0	0	\$ 69,469				
ANCILLARY SERVICES													
075	Patient Supplies		557	1,818	0	0	0	0	0	2,375	162	1,279	\$ 3,816
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,084	3,533	0	0	0	0	0	4,617	766	6,059	11,443
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		1,489	4,855	0	0	0	0	0	6,344	419	3,311	10,074
083	Speech Pathology		1,099	3,584	0	0	0	0	0	4,684	125	985	5,793
085	Pharmacy		152	496	0	0	0	0	0	648	412	3,261	4,321
090	Laboratory		0	0	0	0	0	0	0	0	40	314	354
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	42	333	375
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		36,127	117,782	82,761	322,386	1,495	5,531	69,469	635,550	8,760	69,259	713,570 *
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	0	0	0	0	0	0	0	3	22	25
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 749,770	\$ 55,225	\$ 175,256	\$ 82,761	\$ 322,386	\$ 1,495	\$ 5,531	\$ 69,469	\$ 654,218	\$ 10,729	\$ 84,823	\$ 749,770

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 115,366	\$ 115,366										
010	Housekeeping	38,929	3,070	\$ 41,999									
060	Laundry and Linen	16,859	3,135	1,173	\$ 21,167								
065	Dietary	180,566	12,362	4,624	0	\$ 197,552							
155	Social Services	20,018	733	274	0	0	\$ 21,025						
160	Activities	10,641	2,712	1,014	0	0	0	\$ 14,367					
165	Administration	N/A	5,261	1,968	0	0	0	0		\$ 7,229	\$ 7,229		
166	Medical Records	43,210	2,655	993	0	0	0	0		46,858		\$ 46,858	
170	Inservice Education - Nursing	0	814	305	0	0	0	0	\$ 1,119				
ANCILLARY SERVICES													
075	Patient Supplies	75,056	1,165	436	0	0	0	0	0	76,656	109	706	\$ 77,472
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	384,861	2,264	847	0	0	0	0	0	387,972	516	3,347	391,835
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	193,481	3,111	1,164	0	0	0	0	0	197,755	282	1,829	199,867
083	Speech Pathology	45,235	2,297	859	0	0	0	0	0	48,391	84	544	49,019
085	Pharmacy	215,204	318	119	0	0	0	0	0	215,640	278	1,801	217,720
090	Laboratory	20,995	0	0	0	0	0	0	0	20,995	27	173	21,195
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	22,257	0	0	0	0	0	0	0	22,257	28	184	22,469
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	206,809	75,469	28,226	21,167	197,552	21,025	14,367	1,119	565,734	5,902	38,260	609,897 *
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	1,478	0	0	0	0	0	0	0	1,478	2	12	1,492
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,590,965	\$ 115,366	\$ 41,999	\$ 21,167	\$ 197,552	\$ 21,025	\$ 14,367	\$ 1,119	\$ 1,536,879	\$ 7,229	\$ 46,858	\$ 1,590,965

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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)	\$ 599,968	96%							
	Property Tax (line 40)	25,404	4%	\$ 625,372						
005	Plant Operations and Maintenance			2,900	\$ 2,900					
010	Housekeeping			16,566	77	\$ 16,643				
060	Laundry and Linen			16,917	79	465	\$ 17,461			
065	Dietary			66,703	311	1,832	0	\$ 68,846		
155	Social Services			3,955	18	109	0	0	\$ 4,082	
160	Activities			14,632	68	402	0	0	0	\$ 15,103
165	Administration			28,386	132	780	0	0	0	0
166	Medical Records			14,325	67	393	0	0	0	0
170	Inservice Education - Nursing			4,394	20	121	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			6,284	29	173	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			12,216	57	336	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			16,786	78	461	0	0	0	0
083	Speech Pathology			12,391	58	340	0	0	0	0
085	Pharmacy			1,714	8	47	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
ROUTINE SERVICES										
105	Skilled Nursing Care			407,204	1,897	11,185	17,461	68,846	4,082	15,103
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	0	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 625,372	100%	\$ 625,372	\$ 2,900	\$ 16,643	\$ 17,461	\$ 68,846	\$ 4,082	\$ 15,103

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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 96% Of Total	Property Tax 4% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 599,968	96%							
	Property Tax (line 40)	25,404	4%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 29,298	\$ 29,298				
166	Medical Records				14,785		\$ 14,785			
170	Inservice Education - Nursing			\$ 4,535						
	ANCILLARY SERVICES									
075	Patient Supplies			0	6,485	442	223	\$ 7,150	\$ 6,860	\$ 290
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	12,608	2,093	1,056	15,757	15,117	640
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	17,325	1,144	577	19,046	18,272	774
083	Speech Pathology			0	12,790	340	172	13,301	12,761	540
085	Pharmacy			0	1,769	1,126	568	3,463	3,323	141
090	Laboratory			0	0	108	55	163	157	7
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	115	58	173	166	7
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			4,535	530,312	23,922	12,072	566,307	543,302	23,005*
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	0	8	4	11	11	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 625,372	100%	\$ 4,535	\$ 581,289	\$ 29,298	\$ 14,785	\$ 625,372	\$ 599,968	\$ 25,404

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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. 64% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 5% of Total	Quality Assur. Fees 29% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 13,405												
055	Interest - Other	3,342												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	883,577												
	Total Costs Allocable as Administration	900,324	64%											
167	CDPH Licensing Fees	23,520	2%											
168	Professional Liability Insurance	76,990	5%											
169	Quality Assurance Fees	399,880	29%											
174	Caregiver Training	0	0%											
	Total	1,400,714	100%						\$ 1,400,714					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 2,375	\$ 76,656	\$ 6,485	\$ 85,517	21,118	\$ 13,574	\$ 355	\$ 1,161	\$ 6,029	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	4,617	387,972	12,608	405,197	100,060	64,315	1,680	5,500	28,565	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	6,344	197,755	17,325	221,425	54,679	35,146	918	3,005	15,610	0
083	Speech Pathology			0	4,684	48,391	12,790	65,864	16,264	10,454	273	894	4,643	0
085	Pharmacy			0	648	215,640	1,769	218,057	53,847	34,611	904	2,960	15,373	0
090	Laboratory			0	0	20,995	0	20,995	5,185	3,332	87	285	1,480	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	22,257	0	22,257	5,496	3,533	92	302	1,569	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			2,899,849	635,550	565,734	530,312	4,631,446	1,143,699	735,125	19,204	62,863	326,507	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	0	1,478	0	1,478	365	235	6	20	104	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,400,714		\$ 2,899,849	\$ 654,218	\$ 1,536,879	\$ 581,289	\$ 5,672,234	\$ 1,400,714					
	Total Administrative Costs							\$ 1,400,714		\$ 900,324	\$ 23,520	\$ 76,990	\$ 399,880	\$ -
	Unit Cost Multiplier							0.24694220						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 95,552	\$ 54,086	\$ 44,083	\$ 193,722							
	TOTAL FACILITY COSTS							\$ 7,266,670						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj)	Plant Ops (SQ FT) 5 (Adj)	Hskpng (SQ FT) 10 (Adj)	Laundry (LBS) 60 (Adj)	Dietary (MEALS) 65 (Adj)	Soc Svcs (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	66									
010	Housekeeping	377	377								
060	Laundry and Linen	385	385	385							
065	Dietary	1,518	1,518	1,518							
155	Social Services	90	90	90							
160	Activities	333	333	333							
165	Administration	646	646	646							
166	Medical Records	326	326	326							
170	Inservice Education - Nursing	100	100	100							
	ANCILLARY SERVICES										
075	Patient Supplies	143	143	143						85,517	85,517
077	Specialized Support Surfaces									0	0
080	Physical Therapy	278	278	278						405,197	405,197
081	Respiratory Therapy									0	0
082	Occupational Therapy	382	382	382						221,425	221,425
083	Speech Pathology	282	282	282						65,864	65,864
085	Pharmacy	39	39	39						218,057	218,057
090	Laboratory									20,995	20,995
095	Home Health Services									0	0
100	Other Ancillary Services									22,257	22,257
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	9,267	9,267	9,267	58,880	86,196	2,927,800	2,927,800	2,927,800	4,631,446	4,631,446
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									1,478	1,478
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	14,232	14,166	13,789	58,880	86,196	2,927,800	2,927,800	2,927,800	5,672,234	5,672,234
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 99,189 0.033878339	\$ 79,669 0.027211217			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 55,225 3.89841875	\$ 175,256 12.70981970	\$ 82,761 1.40559055	\$ 322,386 3.74015391	\$ 1,495 0.00051053	\$ 5,531 0.00188898	\$ 69,469 0.02372731	\$ 10,729 0.00189148	\$ 84,823 0.01495412
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 115,366 8.14386559	\$ 41,999 3.04585085	\$ 21,167 0.35949458	\$ 197,552 2.29189277	\$ 21,025 0.00718119	\$ 14,367 0.00490716	\$ 1,119 0.00038219	\$ 7,229 0.00127438	\$ 46,858 0.00826092
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 625,372 43.94125913	\$ 2,900 0.20472421	\$ 16,643 1.20697917	\$ 17,461 0.29655045	\$ 68,846 0.79871220	\$ 4,082 0.00139414	\$ 15,103 0.00515832	\$ 4,535 0.00154905	\$ 29,298 0.00516516	\$ 14,785 0.00260657

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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	\$ 47,895	\$ 0	\$ 47,895	(Sch 3)
005	.20-.39	Fringe Benefits	6200	7,330	0	7,330	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	115,366	0	115,366	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 170,591	\$ 0	\$ 170,591	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 132,332	\$ 0	\$ 132,332	(Sch 3)
010	.20-.39	Fringe Benefits	6300	41,454	0	41,454	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	38,929	0	38,929	(Sch 4)
010		Housekeeping - Total	6300	\$ 212,715	\$ 0	\$ 212,715	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	101,539	0	101,539	(Sch 5)
025		Depreciation: Equipment	7140	33,468	0	33,468	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	464,961	0	464,961	(Sch 5)
040		Property Taxes	7300	25,404	0	25,404	(Sch 5)
045		Property Insurance	7400	13,405	0	13,405	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$ 3,342	\$ 0	\$ 3,342	(Sch 6)
057		Subtotal 005 - 055		\$ 1,025,425	\$ 0	\$ 1,025,425	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 58,200	\$ 0	\$ 58,200	(Sch 3)
060	.20-.39	Fringe Benefits	6400	18,167	0	18,167	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	16,859	0	16,859	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 93,226	\$ 0	\$ 93,226	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 224,877	\$ 0	\$ 224,877	(Sch 3)
065	.20-.39	Fringe Benefits	6500	72,298	0	72,298	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	180,566	0	180,566	(Sch 4)
065		Dietary - Total	6500	\$ 477,741	\$ 0	\$ 477,741	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	68,653	6,403	75,056	(Sch 4)
075		Patient Supplies - Total	8100	\$ 68,653	\$ 6,403	\$ 75,056	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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	384,861	0	384,861	(Sch 4)
080		Physical Therapy - Total	8200	\$ 384,861	\$ 0	\$ 384,861	
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	193,481	0	193,481	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 193,481	\$ 0	\$ 193,481	
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	45,235	0	45,235	(Sch 4)
083		Speech Pathology - Total	8280	\$ 45,235	\$ 0	\$ 45,235	
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	215,204	0	215,204	(Sch 4)
085		Pharmacy - Total	8300	\$ 215,204	\$ 0	\$ 215,204	
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	20,995	0	20,995	(Sch 4)
090		Laboratory - Total	8400	\$ 20,995	\$ 0	\$ 20,995	
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	13,713	8,544	22,257	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 13,713	\$ 8,544	\$ 22,257	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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		\$ 942,142	\$ 14,947	\$ 957,089	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,109,881	\$ (2,620)	\$ 2,107,261	(Sch 2)
105	.20-.39	Fringe Benefits	6110	614,232	(502)	613,730	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	222,257	(15,448)	206,809	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,946,370	\$ (18,570)	\$ 2,927,800	
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:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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	1,478	0	1,478 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 1,478	\$ 0	\$ 1,478
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		\$ 2,947,848	\$ (18,570)	\$ 2,929,278
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 76,310	\$ 0	\$ 76,310 (Sch 2)
155	.20-.39	Fringe Benefits	6600	22,879	0	22,879 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	20,018	0	20,018 (Sch 4)
155		Social Services - Total	6600	\$ 119,207	\$ 0	\$ 119,207

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL CARE SKILLED NURSING CENTER

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

Provider NPI:
1053453902

OSHPD Facility Number:
206190663

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	\$ 63,823	\$ 0	\$ 63,823	(Sch 2)
160	.20-.39	Fringe Benefits	6700	15,846	0	15,846	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	10,641	0	10,641	(Sch 4)
160		Activities - Total	6700	\$ 90,310	\$ 0	\$ 90,310	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 286,596	\$ 0	\$ 286,596	(Sch 6)
165	.20-.39	Fringe Benefits	6900	88,674	0	88,674	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	504,684	3,623	508,307	(Sch 6)
165		Administration - Total	6900	\$ 879,954	\$ 3,623	\$ 883,577	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 60,499	\$ 0	\$ 60,499	(Sch 3)
166	.20-.39	Fringe Benefits	6900	18,910	0	18,910	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	43,210	0	43,210	(Sch 4)
166		Medical Records - Total	6900	\$ 122,619	\$ 0	\$ 122,619	
167		CDPH Licensing Fees	6900	\$ 23,520	\$ 0	\$ 23,520	(Sch 6)
168		Professional Liability Insurance	6900	\$ 76,990	\$ 0	\$ 76,990	(Sch 6)
169		Quality Assurance Fees	6900	\$ 399,880	\$ 0	\$ 399,880	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 52,790	\$ 0	\$ 52,790	(Sch 3)
170	.20-.39	Fringe Benefits	6800	15,018	0	15,018	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 67,808	\$ 0	\$ 67,808	
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		\$ 1,780,288	\$ 3,623	\$ 1,783,911	
200		Total		\$ 7,266,670	\$ 0	\$ 7,266,670	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 273,633	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name							Fiscal Period			Provider NPI		Adjustments
ROYAL CARE SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1053453902		7
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	Not Reported			8	210		Total Facility Group Health Insurance To include Group Health Insurance in the audit for informational purposes only. 42 CFR 413.20 and 413.24/CMS Pub 15-1, Sections 2300 and 2304	\$0	\$273,633	\$273,633		

Provider Name							Fiscal Period	Provider NPI		Adjustments
ROYAL CARE SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1053453902		7
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				
RECLASSIFICATIONS OF REPORTED COSTS										
2	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	\$13,713	\$8,544	\$22,257
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	222,257	(8,544)	213,713 *
							To reclassify X-ray and laboratory expense that is not part of the skilled nursing rate to an ancillary cost center.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2202.8, 2203.2, 2300 and 2304			
							CCR, Title 22, Section 51511			
3	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	\$68,653	\$5,203	\$73,856 *
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 213,713	(5,203)	208,510 *
							To reclassify oxygen expense to the appropriate cost center.			
							42 CFR 413.24 / CMS Pub. 15-1, Sections 2202.8 and 2203.2			
							CCR, Title 22, Section 51511			
4	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	* \$73,856	\$1,200	\$75,056
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 208,510	(1,200)	207,310 *
							To reclassify alternating mattress expense that is not part of the skilled nursing rate to an ancillary cost center.			
							42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304			
							CCR, Title 22, Section 51511(c) and 51511.5(c)			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
ROYAL CARE SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1053453902		7
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENT TO REPORTED COSTS</u>										
5	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$2,109,881	(\$2,620)	\$2,107,261
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	614,232	(502)	613,730
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* 207,310	(501)	206,809
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	504,684	3,623	508,307
							To adjust reported home office costs to agree with the Covenant Care, LLC Home Office Cost Report for the fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 / CMS Pub. 15-1, Sections 2150.2 and 2304			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
ROYAL CARE SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1053453902		7
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						
ADJUSTMENT TO REPORTED PATIENT DAYS												
6	4.1	5	2	1	15	N/A	Medi-Cal Days		22,557	(226)	22,331	
							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 01, 2011 through December 31, 2011 Payment Period: January 01, 2011 through October 15, 2012 Report Date: October 16, 2012 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541					

Provider Name							Fiscal Period			Provider NPI		Adjustments
ROYAL CARE SKILLED NURSING CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1053453902		7
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>												
7	Not Reported			1	14	N/A	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	\$21,793	\$21,793