

**REPORT
ON THE
RATE SETTING AUDIT**

**ROYAL OAKS CONVALESCENT HOSPITAL
GLENDALE, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1982692570**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Daniel J. Giardinelli
Audit Supervisor: Gertrude Lake
Auditor: Lisa Ni**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

June 25, 2013

Hermann Muennichow, CPA
Muennichow & Associates, LLP
12814 Riverside Drive
North Hollywood, CA 91607

ROYAL OAKS CONVALESCENT HOSPITAL
NATIONAL PROVIDER IDENTIFIER (NPI) 1982692570
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 Schedule

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

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

Hermann Muennichow
Page 2

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—Burbank at (818) 295-2620.

Original Signed By

Daniel J. Giardinelli, Chief
Audits Section—Burbank
Financial Audits Branch

Certified

cc: Administrator
Royal Oaks Convalescent Hospital
250 North Verdugo Road
Glendale, CA 91206

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility No.:
206190665

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	\$ 2,935,345	\$ 68.75
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 720,806	\$ 16.88
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 547,265	\$ 12.82
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 540,513	\$ 12.66
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 14,990	\$ 0.35
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 32,342	\$ 0.76
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 172,296	\$ 4.04
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 545,988	\$ 12.79
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 634,027	\$ 14.85
11	Cost of Routine Service/Audited Total Costs	\$ 6,142,064	\$ 6,143,574	\$ 143.89
12	Total Patient Days (Adj)	42,697	42,697	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 143.85	\$ 143.89	
14	Overpayments (Adj)	\$ 0	\$ 0	
15	Medi-Cal Days (Adj 6)	37,172	37,007	
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 OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility No.:
206190665

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 OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility No.:
206190665

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
GENERAL SERVICES					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 81,072	\$ 81,072		
160	Activities	68,299		\$ 68,299	
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	2,785,974	81,072	68,299	2,935,345 *
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	\$ 2,935,345	\$ 81,072	\$ 68,299	\$ 2,935,345

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 51,318	\$ 51,318										
010	Housekeeping	154,989	-	\$ 154,989									
060	Laundry and Linen	121,664	1,824	5,509	\$ 128,998								
065	Dietary	266,454	8,716	26,323	0	\$ 301,493							
155	Social Services	N/A	324	979	0	0	\$ 1,304						
160	Activities	N/A	169	510	0	0	0	\$ 679					
165	Administration	N/A	1,676	5,061	0	0	0	0		\$ 6,736	\$ 6,736		
166	Medical Records	65,926	0	0	0	0	0	0		65,926		\$ 65,926	
170	Inservice Education - Nursing	73,797	0	0	0	0	0	0	\$ 73,797				
ANCILLARY SERVICES													
075	Patient Supplies		355	1,071	0	0	0	0	0	1,426	24	233	\$ 1,683
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		524	1,581	0	0	0	0	0	2,105	171	1,669	3,945
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		524	1,581	0	0	0	0	0	2,105	131	1,280	3,515
083	Speech Pathology		520	1,571	0	0	0	0	0	2,091	15	149	2,255
085	Pharmacy		0	0	0	0	0	0	0	0	41	402	443
090	Laboratory		0	0	0	0	0	0	0	0	14	133	146
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	7	70	77
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		36,390	109,903	128,998	301,493	1,304	679	73,797	652,563	6,326	61,917	720,806 *
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		297	898	0	0	0	0	0	1,195	8	74	1,276
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 734,148	\$ 51,318	\$ 154,989	\$ 128,998	\$ 301,493	\$ 1,304	\$ 679	\$ 73,797	\$ 661,486	\$ 6,736	\$ 65,926	\$ 734,148

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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	\$ 147,615	\$ 147,615										
010	Housekeeping	21,032	0	\$ 21,032									
060	Laundry and Linen	25,850	5,247	748	\$ 31,845								
065	Dietary	231,229	25,071	3,572	0	\$ 259,872							
155	Social Services	1,980	933	133	0	0	\$ 3,046						
160	Activities	2,531	486	69	0	0	0	\$ 3,086					
165	Administration	N/A	4,820	687	0	0	0	0		\$ 5,506	\$ 5,506		
166	Medical Records	19,515	0	0	0	0	0	0		19,515		\$ 19,515	
170	Inservice Education - Nursing	0	0	0	0	0	0	0	\$ -				
ANCILLARY SERVICES													
075	Patient Supplies	10,883	1,020	145	0	0	0	0	0	12,049	19	69	\$ 12,137
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	115,600	1,506	215	0	0	0	0	0	117,321	139	494	117,954
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	86,320	1,506	215	0	0	0	0	0	88,041	107	379	88,526
083	Speech Pathology	1,472	1,496	213	0	0	0	0	0	3,182	12	44	3,238
085	Pharmacy	30,211	0	0	0	0	0	0	0	30,211	34	119	30,364
090	Laboratory	9,968	0	0	0	0	0	0	0	9,968	11	39	10,018
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	5,228	0	0	0	0	0	0	0	5,228	6	21	5,254
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	106,329	104,674	14,914	31,845	259,872	3,046	3,086	0	523,766	5,172	18,328	547,265 *
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	0	855	122	0	0	0	0	0	977	6	22	1,005
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 815,763	\$ 147,615	\$ 21,032	\$ 31,845	\$ 259,872	\$ 3,046	\$ 3,086	\$ -	\$ 790,742	\$ 5,506	\$ 19,515	\$ 815,763

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 566,122	97%							
	Property Tax (line 40)	15,700	3%	\$ 581,822						
005	Plant Operations and Maintenance			7,896	\$ 7,896					
010	Housekeeping			0	0	\$ -				
060	Laundry and Linen			20,402	281	0	\$ 20,682			
065	Dietary			97,474	1,341	0	0	\$ 98,815		
155	Social Services			3,627	50	0	0	0	\$ 3,677	
160	Activities			1,889	26	0	0	0	0	\$ 1,915
165	Administration			18,739	258	0	0	0	0	0
166	Medical Records			0	0	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			3,967	55	0	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			5,856	81	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			5,856	81	0	0	0	0	0
083	Speech Pathology			5,818	80	0	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			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			406,973	5,599	0	20,682	98,815	3,677	1,915
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			3,325	46	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 581,822	100%	\$ 581,822	\$ 7,896	\$ -	\$ 20,682	\$ 98,815	\$ 3,677	\$ 1,915

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 97% Of Total	Property Tax 3% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 566,122	97%							
	Property Tax (line 40)	15,700	3%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 18,997	\$ 18,997				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	4,022	67	0	\$ 4,089	\$ 3,978	\$ 110
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	5,937	481	0	6,418	6,244	173
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	5,937	369	0	6,305	6,135	170
083	Speech Pathology			0	5,898	43	0	5,941	5,781	160
085	Pharmacy			0	0	116	0	116	113	3
090	Laboratory			0	0	38	0	38	37	1
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	20	0	20	20	1
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			0	537,662	17,842	0	555,503	540,513	14,990
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	3,370	21	0	3,392	3,300	92
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 581,822	100%	\$ -	\$ 562,825	\$ 18,997	\$ -	\$ 581,822	\$ 566,122	\$ 15,700

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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. 46% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 12% of Total	Quality Assur. Fees 39% of Total	Caregiver Training 0% of Total
	GENERAL SERVICES													
045	Property Insurance	\$ 40,192												
055	Interest - Other	922												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	633,969												
	Total Costs Allocable as Administration	675,083	46%											
167	CDPH Licensing Fees	34,436	2%											
168	Professional Liability Insurance	183,453	12%											
169	Quality Assurance Fees	581,343	39%											
174	Caregiver Training	0	0%											
	Total	1,474,315	100%						\$ 1,474,315					
	ANCILLARY SERVICES													
075	Patient Supplies			\$ -	\$ 1,426	\$ 12,049	\$ 4,022	\$ 17,496	5,211	\$ 2,386	\$ 122	\$ 648	\$ 2,055	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	2,105	117,321	5,937	125,362	37,335	17,096	872	4,646	14,722	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	2,105	88,041	5,937	96,082	28,615	13,103	668	3,561	11,283	0
083	Speech Pathology			0	2,091	3,182	5,898	11,171	3,327	1,523	78	414	1,312	0
085	Pharmacy			0	0	30,211	0	30,211	8,997	4,120	210	1,120	3,548	0
090	Laboratory			0	0	9,968	0	9,968	2,969	1,359	69	369	1,171	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	5,228	0	5,228	1,557	713	36	194	614	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			2,935,345	652,563	523,766	537,662	4,649,336	1,384,653	634,027	32,342	172,296	545,988	0
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0
	NONREIMBURSABLE													
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,195	977	3,370	5,543	1,651	756	39	205	651	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,474,315		\$ 2,935,345	\$ 661,486	\$ 790,742	\$ 562,825	\$ 4,950,397	\$ 1,474,315					
	Total Administrative Costs							\$ 1,474,315		\$ 675,083	\$ 34,436	\$ 183,453	\$ 581,343	\$ -
	Unit Cost Multiplier							0.29781751						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 72,662	\$ 25,021	\$ 18,997	\$ 116,681							
	TOTAL FACILITY COSTS							\$ 6,541,393						

*(To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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 4)	Dietary (MEALS) 65 (Adj 5)	Soc Srvs (DIRECT EXP) 155 (Adj)	Activities (DIRECT EXP) 160 (Adj)	Inserv. Ed (DIRECT EXP) 170 (Adj)	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	209									
010	Housekeeping										
060	Laundry and Linen	540	540	540							
065	Dietary	2,580	2,580	2,580							
155	Social Services	96	96	96							
160	Activities	50	50	50							
165	Administration	496	496	496							
166	Medical Records										
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	105	105	105						17,496	17,496
077	Specialized Support Surfaces									0	0
080	Physical Therapy	155	155	155						125,362	125,362
081	Respiratory Therapy									0	0
082	Occupational Therapy	155	155	155						96,082	96,082
083	Speech Pathology	154	154	154						11,171	11,171
085	Pharmacy									30,211	30,211
090	Laboratory									9,968	9,968
095	Home Health Services									0	0
100	Other Ancillary Services									5,228	5,228
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	10,772	10,772	10,772	111,012	128,091	2,892,303	2,892,303	2,892,303	4,649,336	4,649,336
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	88	88	88						5,543	5,543
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	15,400	15,191	15,191	111,012	128,091	2,892,303	2,892,303	2,892,303	4,950,397	4,950,397
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 81,072	\$ 68,299			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.028030258	0.023614054			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 51,318	\$ 154,989	\$ 128,998	\$ 301,493	\$ 1,304	\$ 679	\$ 73,797	\$ 6,736	\$ 65,926
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		3.37818445	10.20268580	1.16201555	2.35373793	0.00045077	0.00023478	0.02551496	0.00136072	0.01331732
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 147,615	\$ 21,032	\$ 31,845	\$ 259,872	\$ 3,046	\$ 3,086	\$ -	\$ 5,506	\$ 19,515
	UNIT COST MULTIPLIER (INDIRECT OTHER)		9.71726680	1.38450398	0.28686049	2.02880428	0.00105306	0.00106700	0.00000000	0.00111233	0.00394211
	TOTAL CAPITAL COSTS - SCH. 5	\$ 581,822	\$ 7,896	\$ -	\$ 20,682	\$ 98,815	\$ 3,677	\$ 1,915	\$ -	\$ 18,997	\$ -
	UNIT COST MULTIPLIER (CAPITAL COSTS)	37.78064935	0.51979170	0.00000000	0.18630633	0.77144482	0.00127125	0.00066211	0.00000000	0.00383747	0.00000000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 41,544	\$ 0	\$ 41,544	(Sch 3)
005	.20-.39	Fringe Benefits	6200	9,774	0	9,774	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	147,615	0	147,615	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 198,933	\$ 0	\$ 198,933	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 124,514	\$ 0	\$ 124,514	(Sch 3)
010	.20-.39	Fringe Benefits	6300	30,475	0	30,475	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	21,032	0	21,032	(Sch 4)
010		Housekeeping - Total	6300	\$ 176,021	\$ 0	\$ 176,021	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 0	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	10,342	0	10,342	(Sch 5)
025		Depreciation: Equipment	7140	14,732	0	14,732	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	530,688	10,360	541,048	(Sch 5)
040		Property Taxes	7300	15,700	0	15,700	(Sch 5)
045		Property Insurance	7400	40,192	0	40,192	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	0	0	0	(Sch 6)
055		Interest - Other	7600	\$ 922	\$ 0	\$ 922	(Sch 6)
057		Subtotal 005 - 055		\$ 987,530	\$ 10,360	\$ 997,890	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 97,133	\$ 0	\$ 97,133	(Sch 3)
060	.20-.39	Fringe Benefits	6400	24,531	0	24,531	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	25,850	0	25,850	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 147,514	\$ 0	\$ 147,514	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 220,801	\$ 0	\$ 220,801	(Sch 3)
065	.20-.39	Fringe Benefits	6500	45,653	0	45,653	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	231,229	0	231,229	(Sch 4)
065		Dietary - Total	6500	\$ 497,683	\$ 0	\$ 497,683	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
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	13,312	(2,429)	10,883	(Sch 4)
075		Patient Supplies - Total	8100	\$ 13,312	\$ (2,429)	\$ 10,883	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	0	0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$ 0	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	115,600	0	115,600	(Sch 4)
080		Physical Therapy - Total	8200	\$ 115,600	\$ 0	\$ 115,600	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	0	0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 0	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	86,320	0	86,320	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 86,320	\$ 0	\$ 86,320	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	1,472	0	1,472	(Sch 4)
083		Speech Pathology - Total	8280	\$ 1,472	\$ 0	\$ 1,472	
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	38,142	(7,931)	30,211	(Sch 4)
085		Pharmacy - Total	8300	\$ 38,142	\$ (7,931)	\$ 30,211	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	9,968	0	9,968	(Sch 4)
090		Laboratory - Total	8400	\$ 9,968	\$ 0	\$ 9,968	
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	5,228	0	5,228	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 5,228	\$ 0	\$ 5,228	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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		\$ 270,042	\$ (10,360)	\$ 259,682	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,312,345	\$ 0	\$ 2,312,345	(Sch 2)
105	.20-.39	Fringe Benefits	6110	473,629	0	473,629	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	106,329	0	106,329	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,892,303	\$ 0	\$ 2,892,303	
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:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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)
		Other Nonreimbursable					
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	0	0	0	(Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 0	\$ 0	
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		Subtotal 105 - 145		\$ 2,892,303	\$ 0	\$ 2,892,303	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	\$ 65,381	\$ 0	\$ 65,381	(Sch 2)
155	.20-.39	Fringe Benefits	6600	15,691	0	15,691	(Sch 2)
155	.49	Agency Staff	6600	0	0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	1,980	0	1,980	(Sch 4)
155		Social Services - Total	6600	\$ 83,052	\$ 0	\$ 83,052	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

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

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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	\$ 54,510	\$ 0	\$ 54,510	(Sch 2)
160	.20-.39	Fringe Benefits	6700	13,789	0	13,789	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	2,531	0	2,531	(Sch 4)
160		Activities - Total	6700	\$ 70,830	\$ 0	\$ 70,830	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 204,747	\$ 0	\$ 204,747	(Sch 6)
165	.20-.39	Fringe Benefits	6900	87,983	0	87,983	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	337,506	3,733	341,239	(Sch 6)
165		Administration - Total	6900	\$ 630,236	\$ 3,733	\$ 633,969	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 55,813	\$ 0	\$ 55,813	(Sch 3)
166	.20-.39	Fringe Benefits	6900	10,113	0	10,113	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	19,515	0	19,515	(Sch 4)
166		Medical Records - Total	6900	\$ 85,441	\$ 0	\$ 85,441	
167		CDPH Licensing Fees	6900	\$ 34,436	\$ 0	\$ 34,436	(Sch 6)
168		Professional Liability Insurance	6900	\$ 187,186	\$ (3,733)	\$ 183,453	(Sch 6)
169		Quality Assurance Fees	6900	\$ 581,343	\$ 0	\$ 581,343	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 61,522	\$ 0	\$ 61,522	(Sch 3)
170	.20-.39	Fringe Benefits	6800	12,275	0	12,275	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	0	0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 73,797	\$ 0	\$ 73,797	
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	
		Subtotal 155 - 174		\$ 1,746,321	\$ 0	\$ 1,746,321	
200		Total		\$ 6,541,393	\$ 0	\$ 6,541,393	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 75,721	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
ROYAL OAKS CONVALESCENT HOSPITAL

Provider NPI:
1982692570

OSHPD Facility Number:
206190665

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

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	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	10,360		10,360					
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	(2,429)		(2,429)					
077	1	Specialized Support Surfaces - Salaries and Wages	0							
077	2	Specialized Support Surfaces - Fringe Benefits	0							
077	3	Specialized Support Surfaces - Agency Staff	0							
077	4	Specialized Support Surfaces - Other - Nonlabor	0							
080	1	Physical Therapy - Salaries and Wages	0							
080	2	Physical Therapy - Fringe Benefits	0							
080	3	Physical Therapy - Agency Staff	0							
080	4	Physical Therapy - Other - Nonlabor	0							
081	1	Respiratory Therapy - Salaries and Wages	0							
081	2	Respiratory Therapy - Fringe Benefits	0							
081	3	Respiratory Therapy - Agency Staff	0							
081	4	Respiratory Therapy - Other - Nonlabor	0							
082	1	Occupational Therapy - Salaries and Wages	0							
082	2	Occupational Therapy - Fringe Benefits	0							
082	3	Occupational Therapy - Agency Staff	0							
082	4	Occupational Therapy - Other - Nonlabor	0							
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	0							
083	3	Speech Pathology - Agency Staff	0							

Provider Name							Fiscal Period			Provider NPI		Adjustments
ROYAL OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1982692570		6
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 total group health insurance costs for informational purpose 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$75,721	\$75,721		

Provider Name							Fiscal Period	Provider NPI	Adjustments		
ROYAL OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1982692570	6		
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>RECLASSIFICATIONS OF REPORTED COSTS</u>											
2	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$337,506	\$3,733	\$341,239	
	10.5	168	4	8A-1	168	4	Professional Liability Insurance	187,186	(3,733)	183,453	
							To reclassify finance fees associated with liability insurance to the Administration cost center.				
							42 CFR 413.24 / CMS Pub. 15-1, Section 2162				
							CCR, Title 22, Sections 52000(b) and 52501				
3	10.5	035	4	8A-1	035	4	Leases and Rentals	\$530,688	\$10,360	\$541,048	
	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	13,312	(2,429)	10,883	
	10.5	085	4	8A-1	085	4	Pharmacy - Other - Nonlabor	38,142	(7,931)	30,211	
							To reclassify the reported expenses to agree with the provider's working trial balance.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period	Provider NPI		Adjustments
ROYAL OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1982692570		6
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENTS TO REPORTED STATISTICS</u>										
4	10.7	105	4	7	105		Skilled Nursing Care (Pounds of Laundry)	0	111,012	111,012
	10.7	175	4	7	175		Total Statistics - Pounds of Laundry	0	111,012	111,012
							To reflect pounds of laundry statistics on the audit report in order to properly allocate indirect costs.			
							42 CFR 413.24 and 413.50			
							CMS Pub. 15-1, Sections 2304 and 2306			
5	10.7	105	5	7	105		Skilled Nursing Care (Number of Meals)	0	128,091	128,091
	10.7	175	5	7	175		Total Statistics - Number of Meals	0	128,091	128,091
							To reflect number of meals statistics on the audit report in order to properly allocate indirect costs.			
							42 CFR 413.24 and 413.50			
							CMS Pub. 15-1, Sections 2304 and 2306			

Provider Name							Fiscal Period	Provider NPI		Adjustments
ROYAL OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1982692570		6
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 PATIENT DAYS</u>										
6	4.1	5	2	1	15	Medi-Cal Days	37,172	(165)	37,007	
To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through December 27, 2012 Report Date: December 28, 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										