

**REPORT  
ON THE  
RATE SETTING AUDIT**

**TRACY CONVALESCENT AND REHABILITATION CENTER  
TRACY, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1346337896**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Robert G. Kvick  
Audit Supervisor: Gary Diffenderffer  
Auditors: Mony Sor and Janis Nelsen**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

July 10, 2013

David DeLisle, Administrator  
Tracy Convalescent and Rehabilitation Center  
545 W. Beverly Place  
Tracy, CA 92201

TRACY CONVALESCENT AND REHABILITATION CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1346337896  
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, patient days, and use of share of cost for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$1,486, 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.

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.

David DeLisle, Administrator  
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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—  
Sacramento at (916) 650-6994.

**Original Signed By**

Robert G. Kvick, Chief  
Audits Section—Sacramento  
Financial Audits Branch

Certified

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

**Provider Name:**  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

**Provider NPI:**  
1346337896

**OSHPD Facility No.:**  
206392288

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 2,392,807	\$ 122.80
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 701,166	\$ 35.98
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 501,748	\$ 25.75
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 254,610	\$ 13.07
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 15,153	\$ 0.78
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 15,932	\$ 0.82
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 38,385	\$ 1.97
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 225,033	\$ 11.55
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 321,392	\$ 16.49
11	Cost of Routine Service/Audited Total Costs	\$ 4,467,874.00	\$ 4,466,227	\$ 229.21
12	Total Patient Days (Adj )	19,485	19,485	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 229.30	\$ 229.21	
14	Overpayments (Adj 12)	\$ 0	\$ 1,486	
15	Medi-Cal Days (Adj 11)	13,575	13,415	
16	Medi-Cal Managed Care Days (Adj )		0	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj )		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$	\$ 0	
<b>MENTALLY DISORDERED CARE</b>				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj )		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj )	\$	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj )		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj )	\$	\$ 0	
<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:**  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

**Provider NPI:**  
1346337896

**OSHPD Facility No.:**  
206392288

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

ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility No.:  
206392288

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	\$ 33,104	\$ 33,104		
160	Activities	48,576		\$ 48,576	
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	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
<b>ROUTINE SERVICES</b>					
105	Skilled Nursing Care	2,311,127	33,104	48,576	2,392,807
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>\$ 2,392,807</b>	<b>\$ 33,104</b>	<b>\$ 48,576</b>	<b>\$ 2,392,807</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 50,208	\$ 50,208										
010	Housekeeping	106,064	-	\$ 106,064									
060	Laundry and Linen	115,453	2,130	4,499	\$ 122,082								
065	Dietary	358,404	3,482	7,357	0	\$ 369,243							
155	Social Services	N/A	0	0	0	\$ -							
160	Activities	N/A	0	0	0	0	\$ -						
165	Administration	N/A	5,442	11,496	0	0	0	0		\$ 16,938	\$ 16,938		
166	Medical Records	51,336	0	0	0	0	0	0		51,336		\$ 51,336	
170	Inservice Education - Nursing	47,627	0	0	0	0	0	0	\$ 47,627				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		4,553	9,618	0	0	0	0	0	14,170	490	1,486	\$ 16,147
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,454	3,071	0	0	0	0	0	4,525	616	1,867	7,008
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		0	0	0	0	0	0	0	0	429	1,299	1,728
083	Speech Pathology		0	0	0	0	0	0	0	0	136	413	550
085	Pharmacy		0	0	0	0	0	0	0	0	484	1,468	1,952
090	Laboratory		0	0	0	0	0	0	0	0	96	292	388
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	31	93	123
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		33,147	70,023	122,082	369,243	0	0	47,627	642,123	14,648	44,395	701,166 *
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	0	0	0	0	0	0	0	8	23	30
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 729,092	\$ 50,208	\$ 106,064	\$ 122,082	\$ 369,243	\$ -	\$ -	\$ 47,627	\$ 660,818	\$ 16,938	\$ 51,336	\$ 729,092

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 139,997	\$ 139,997										
010	Housekeeping	17,220	0	\$ 17,220									
060	Laundry and Linen	13,351	5,939	731	\$ 20,021								
065	Dietary	186,845	9,710	1,194	0	\$ 197,750							
155	Social Services	0	0	0	0	0	\$ -						
160	Activities	3,624	0	0	0	0	0	\$ 3,624					
165	Administration	N/A	15,174	1,866	0	0	0	0		\$ 17,041	\$ 17,041		
166	Medical Records	12,765	0	0	0	0	0	0		12,765		\$ 12,765	
170	Inservice Education - Nursing	142	0	0	0	0	0	0	\$ 142				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	68,905	12,695	1,561	0	0	0	0	0	83,161	493	370	\$ 84,024
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	139,695	4,053	499	0	0	0	0	0	144,247	620	464	145,331
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	109,763	0	0	0	0	0	0	0	109,763	431	323	110,517
083	Speech Pathology	34,922	0	0	0	0	0	0	0	34,922	137	103	35,162
085	Pharmacy	124,025	0	0	0	0	0	0	0	124,025	487	365	124,877
090	Laboratory	24,653	0	0	0	0	0	0	0	24,653	97	73	24,822
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	7,835	0	0	0	0	0	0	0	7,835	31	23	7,889
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	150,642	92,426	11,369	20,021	197,750	0	3,624	142	475,972	14,737	11,039	501,748 *
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	1,925	0	0	0	0	0	0	0	1,925	8	6	1,938
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,036,309</b>	<b>\$ 139,997</b>	<b>\$ 17,220</b>	<b>\$ 20,021</b>	<b>\$ 197,750</b>	<b>\$ -</b>	<b>\$ 3,624</b>	<b>\$ 142</b>	<b>\$ 1,006,503</b>	<b>\$ 17,041</b>	<b>\$ 12,765</b>	<b>\$ 1,036,309</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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)	\$ 294,104	94%							
	Property Tax (line 40)	17,503	6%	\$ 311,607						
005	Plant Operations and Maintenance			0	\$ -					
010	Housekeeping			0	0	\$ -				
060	Laundry and Linen			13,219	0	0	\$ 13,219			
065	Dietary			21,613	0	0	0	\$ 21,613		
155	Social Services			0	0	0	0	0	\$ -	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			33,775	0	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
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			28,256	0	0	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			9,022	0	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0
083	Speech Pathology			0	0	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
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			205,722	0	0	13,219	21,613	0	0
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	0	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 311,607</b>	<b>100%</b>	<b>\$ 311,607</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,219</b>	<b>\$ 21,613</b>	<b>\$ -</b>	<b>\$ -</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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 94% Of Total	Property Tax 6% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 294,104	94%							
	Property Tax (line 40)	17,503	6%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 33,775	\$ 33,775				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	28,256	978	0	\$ 29,234	\$ 27,592	\$ 1,642
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	9,022	1,229	0	10,251	9,675	576
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	855	0	855	807	48
083	Speech Pathology			0	0	272	0	272	257	15
085	Pharmacy			0	0	966	0	966	911	54
090	Laboratory			0	0	192	0	192	181	11
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	61	0	61	58	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	240,554	29,208	0	269,763	254,610	15,153
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	0	15	0	15	14	1
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 311,607	100%	\$ -	\$ 277,832	\$ 33,775	\$ -	\$ 311,607	\$ 294,104	\$ 17,503

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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. 53% of Total	DPH Licensing Fees 3% of Total	Professional Liability Ins. 6% of Total	Quality Assur. Fees 37% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 5,437												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	366,202												
	Total Costs Allocable as Administration	371,639	53%											
167	CDPH Licensing Fees	18,423	3%											
168	Professional Liability Insurance	44,386	6%											
169	Quality Assurance Fees	260,215	37%											
174	Caregiver Training	0	0%											
	Total	694,663	100%						\$ 694,663					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 14,170	\$ 83,161	\$ 28,256	\$ 125,587	20,111	\$ 10,759	\$ 533	\$ 1,285	\$ 7,533	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	4,525	144,247	9,022	157,794	25,268	13,518	670	1,615	9,465	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	0	109,763	0	109,763	17,577	9,404	466	1,123	6,584	0
083	Speech Pathology			0	0	34,922	0	34,922	5,592	2,992	148	357	2,095	0
085	Pharmacy			0	0	124,025	0	124,025	19,861	10,625	527	1,269	7,440	0
090	Laboratory			0	0	24,653	0	24,653	3,948	2,112	105	252	1,479	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	7,835	0	7,835	1,255	671	33	80	470	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>														
105	Skilled Nursing Care			2,392,807	642,123	475,972	240,554	3,751,457	600,743	321,392	15,932	38,385	225,033	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	0	1,925	0	1,925	308	165	8	20	115	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 694,663		\$ 2,392,807	\$ 660,818	\$ 1,006,503	\$ 277,832	\$ 4,337,960	\$ 694,663					
	Total Administrative Costs							\$ 694,663		\$ 371,639	\$ 18,423	\$ 44,386	\$ 260,215	\$ -
	Unit Cost Multiplier							0.16013585						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 68,274	\$ 29,806	\$ 33,775	\$ 131,855							
	<b>TOTAL FACILITY COSTS</b>							\$ 5,164,478						

\*(To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance										
010	Housekeeping										
060	Laundry and Linen	400	400	400							
065	Dietary	654	654	654							
155	Social Services										
160	Activities										
165	Administration	1,022	1,022	1,022							
166	Medical Records										
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	855	855	855						125,587	125,587
077	Specialized Support Surfaces									0	0
080	Physical Therapy	273	273	273						157,794	157,794
081	Respiratory Therapy									0	0
082	Occupational Therapy									109,763	109,763
083	Speech Pathology									34,922	34,922
085	Pharmacy									124,025	124,025
090	Laboratory									24,653	24,653
095	Home Health Services									0	0
100	Other Ancillary Services									7,835	7,835
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	6,225	6,225	6,225	95,250	57,150	2,461,769	2,461,769	2,461,769	3,751,457	3,751,457
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									1,925	1,925
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	9,429	9,429	9,429	95,250	57,150	2,461,769	2,461,769	2,461,769	4,337,960	4,337,960
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						\$ 33,104 0.013447241	\$ 48,576 0.019732152			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		\$ 50,208 5.32484887	\$ 106,064 11.24870082	\$ 122,082 1.28170520	\$ 369,243 6.46094666	\$ - 0.00000000	\$ - 0.00000000	\$ 47,627 0.01934666	\$ 16,938 0.00390464	\$ 51,336 0.01183413
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		\$ 139,997 14.84749178	\$ 17,220 1.82628062	\$ 20,021 0.21018907	\$ 197,750 3.46018630	\$ - 0.00000000	\$ 3,624 0.00147211	\$ 142 0.00005768	\$ 17,041 0.00392825	\$ 12,765 0.00294263
	<b>TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	\$ 311,607 33.04772510	\$ - 0.00000000	\$ - 0.00000000	\$ 13,219 0.13878310	\$ 21,613 0.37818394	\$ - 0.00000000	\$ - 0.00000000	\$ - 0.00000000	\$ 33,775 0.00778587	\$ - 0.00000000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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	\$ 33,109	\$ 0	\$ 33,109	(Sch 3)
005	.20-.39	Fringe Benefits	6200	17,099	0	17,099	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	145,176	(5,179)	139,997	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 195,384	\$ (5,179)	\$ 190,205	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 74,295	\$ 0	\$ 74,295	(Sch 3)
010	.20-.39	Fringe Benefits	6300	31,769	0	31,769	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	17,220	0	17,220	(Sch 4)
010		Housekeeping - Total	6300	\$ 123,284	\$ 0	\$ 123,284	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130		0	0	(Sch 5)
025		Depreciation: Equipment	7140		0	0	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	290,418	3,686	294,104	(Sch 5)
040		Property Taxes	7300	17,503	0	17,503	(Sch 5)
045		Property Insurance	7400	5,437	0	5,437	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 632,026	\$ (1,493)	\$ 630,533	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 81,688	\$ 0	\$ 81,688	(Sch 3)
060	.20-.39	Fringe Benefits	6400	33,765	0	33,765	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	13,351	0	13,351	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 128,804	\$ 0	\$ 128,804	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 245,778	\$ 0	\$ 245,778	(Sch 3)
065	.20-.39	Fringe Benefits	6500	112,626	0	112,626	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	188,507	(1,662)	186,845	(Sch 4)
065		Dietary - Total	6500	\$ 546,911	\$ (1,662)	\$ 545,249	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
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	68,905	0	68,905	(Sch 4)
075		Patient Supplies - Total	8100	\$ 68,905	\$ 0	\$ 68,905	
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:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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	139,695	0	139,695	(Sch 4)
080		Physical Therapy - Total	8200	\$ 139,695	\$ 0	\$ 139,695	
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	109,763	0	109,763	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 109,763	\$ 0	\$ 109,763	
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	34,922	0	34,922	(Sch 4)
083		Speech Pathology - Total	8280	\$ 34,922	\$ 0	\$ 34,922	
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	124,025	0	124,025	(Sch 4)
085		Pharmacy - Total	8300	\$ 124,025	\$ 0	\$ 124,025	
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	24,653	0	24,653	(Sch 4)
090		Laboratory - Total	8400	\$ 24,653	\$ 0	\$ 24,653	
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	7,835	0	7,835	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 7,835	\$ 0	\$ 7,835	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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		\$ 509,798	\$ 0	\$ 509,798	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,630,216	\$ 0	\$ 1,630,216	(Sch 2)
105	.20-.39	Fringe Benefits	6110	680,911	0	680,911	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	150,642	0	150,642	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,461,769	\$ 0	\$ 2,461,769	
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:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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)
		<b>Other Nonreimbursable</b>				
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	1,925	0	1,925 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 1,925	\$ 0	\$ 1,925
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		<b>Subtotal 105 - 145</b>		\$ 2,463,694	\$ 0	\$ 2,463,694
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 24,929	\$ 0	\$ 24,929 (Sch 2)
155	.20-.39	Fringe Benefits	6600	8,175	0	8,175 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	0	0	0 (Sch 4)
155		Social Services - Total	6600	\$ 33,104	\$ 0	\$ 33,104

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

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

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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	\$ 36,665	\$ 0	\$ 36,665	(Sch 2)
160	.20-.39	Fringe Benefits	6700	11,911	0	11,911	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	5,396	(1,772)	3,624	(Sch 4)
160		Activities - Total	6700	\$ 53,972	\$ (1,772)	\$ 52,200	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 193,207	\$ 0	\$ 193,207	(Sch 6)
165	.20-.39	Fringe Benefits	6900	72,182	0	72,182	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	107,022	(6,209)	100,813	(Sch 6)
165		Administration - Total	6900	\$ 372,411	\$ (6,209)	\$ 366,202	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 37,373	\$ 0	\$ 37,373	(Sch 3)
166	.20-.39	Fringe Benefits	6900	13,963	0	13,963	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	12,765	0	12,765	(Sch 4)
166		Medical Records - Total	6900	\$ 64,101	\$ 0	\$ 64,101	
167		CDPH Licensing Fees	6900	\$ 18,423	\$ 0	\$ 18,423	(Sch 6)
168		Professional Liability Insurance	6900	\$ 50,916	\$ (6,530)	\$ 44,386	(Sch 6)
169		Quality Assurance Fees	6900	\$ 260,215	\$ 0	\$ 260,215	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 33,691	\$ 0	\$ 33,691	(Sch 3)
170	.20-.39	Fringe Benefits	6800	13,936	0	13,936	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	142	0	142	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 47,769	\$ 0	\$ 47,769	
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	
		<b>Subtotal 155 - 174</b>		\$ 900,911	\$ (14,511)	\$ 886,400	
200		<b>Total</b>		\$ 5,182,144	\$ (17,666)	\$ 5,164,478	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 378,520	
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\* For informational purposes only, this amount is included in various cost centers above.







Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

Provider NPI:  
1346337896

OSHDP Facility Number:  
206392288

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

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
174	3	Caregiver Training - Agency Staff	0								
174	4	Caregiver Training - Other - Nonlabor	0								
200		Total	(\$17,666) (To Sch 8)	0	0	0	(5,500)	321	(4,359)	(2,463)	(310)







Provider Name:  
TRACY CONVALESCENT AND REHABILITATION CENTER

Provider NPI:  
1346337896

OSHPD Facility Number:  
206392288

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

Line No.	Sub No.	Description	AUDIT ADJ 10	AUDIT ADJ						
174	3	Caregiver Training - Agency Staff								
174	4	Caregiver Training - Other - Nonlabor								
200		Total	(5,355)	0	0	0	0	0	0	0

Provider Name							Fiscal Period		Provider NPI		Adjustments
TRACY CONVALESCENT AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1346337896		12
Report References							Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>MEMORANDUM ADJUSTMENT</u>											
1	N/A			8	210	N/A	Total Facility Group Health Insurance To include Group Health Insurance in the audit for informational purpose only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Section 2300 and 2304	\$0	\$378,520	\$378,520	

Provider Name							Fiscal Period	Provider NPI		Adjustments
TRACY CONVALESCENT AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1346337896		12
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<b><u>RECLASSIFICATIONS OF REPORTED COSTS</u></b>										
2	10.5	035	4	8A-1	035	4	Leases and Rentals	\$290,418	\$1,662	\$292,080 *
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor To reclassify machine rental expense 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	188,507	(1,662)	186,845
3	10.5	035	4	8A-1	035	4	Leases and Rentals	* \$292,080	\$2,024	\$294,104
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To reclassify copier lease expense 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	107,022	(2,024)	104,998 *
4	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* \$104,998	\$1,175	\$106,173 *
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To reclassify CA Surplus Lines Tax expense 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 CCR, Title 22, 52000(a)	50,916	(1,175)	49,741 *

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI	Adjustments	
TRACY CONVALESCENT AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1346337896	12	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>										
5	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	\$145,176		
							To eliminate water heater expense that should have been capitalized. 42 CFR 413.20 and 413.134 CMS Pub. 15-1, Sections 104.8, 108.1, 108.2, and 2300		(\$5,500)	
6							To include depreciation expense on the water heater to be capitalized in conjunction with adjustment 5. 42 CFR 413.20 and 413.134 CMS Pub. 15-1, Sections 104.8, 108.1, 108.2, and 2300		321 (\$5,179)	\$139,997
7	10.5	160	4	8A-1	160	4	Activities - Other - Nonlabor	\$5,396	(\$1,772)	\$3,624
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To eliminate cable television expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105	* 106,173	(2,587)	103,586 *
8	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* \$103,586		
							To eliminate CAHF fees due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code 14124.2(b)		(\$2,463)	
9							To eliminate CAHF expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105		(310) (\$2,773)	\$100,813
10	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance To adjust professional liability insurance expense to agree with expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304, and 2306	* \$49,741	(\$5,355)	\$44,386

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
TRACY CONVALESCENT AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1346337896		12
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<b><u>ADJUSTMENT TO REPORTED PATIENT DAYS</u></b>											
11	4.1	5	2	1	15	N/A	Medi-Cal Days	13,575	(160)	13,415	
							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 June 13, 2013 Report Date: June 13, 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				

Provider Name							Fiscal Period			Provider NPI		Adjustments
TRACY CONVALESCENT AND REHABILITATION CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1346337896		12
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENT TO OTHER MATTERS</u>												
12	Not Reported			1	14	N/A	Overpayments To recover Medi-Cal overpayments due to lack of documentation. 42 CFR 413.20, 413.24, and 431.107 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51476 W&I Code 14124.2(b)			\$0	\$1,486	\$1,486