

**REPORT
ON THE
RATE SETTING AUDIT**

**PETALUMA HEALTH AND REHABILITATION
PETALUMA, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1104874940**

**FISCAL PERIOD ENDED
DECEMBER 31, 2011**

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

**Section Chief: Robert G. Kwick
Audit Supervisor: Gary Diffenderffer
Auditors: Lucille Ramos, Mony Sor, Jennifer White, and Firas Yaghmour**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

July 30, 2013

Terri L. Roche
Reimbursement Manager
Evergreen Healthcare Management, LLC
4601 NE 77th Avenue, Suite 300
Vancouver, WA 98662

PETALUMA HEALTH AND REHABILITATION
NATIONAL PROVIDER IDENTIFIER (NPI) 1104874940
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. We also examined the facility's use of and Records of Noncovered Services deducted from patient share of cost. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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 \$5,289, 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.

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

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

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

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:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility No.:
206490961

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	\$ 3,701,407	\$ 117.32
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 702,952	\$ 22.28
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 691,699	\$ 21.92
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 217,231	\$ 6.89
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 27,907	\$ 0.88
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 18,997	\$ 0.60
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 139,297	\$ 4.41
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 341,964	\$ 10.84
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 752,823	\$ 23.86
11	Cost of Routine Service/Audited Total Costs	\$ 7,043,053.00	\$ 6,594,277	\$ 209.00
12	Total Patient Days (Adj 17)	31,124	31,551	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 226.29	\$ 209.00	
14	Overpayments (Adj 20,21)		\$ 5,289	
15	Medi-Cal Days (Adj 19)	22,058	1,797	
16	Medi-Cal Managed Care Days (Adj 18)		20,151	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj)		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj)		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj)		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$	\$ 0	
SUBACUTE CARE				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility No.:
206490961

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

**ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR**

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility No.:
206490961

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	\$ 54,430	\$ 54,430		
160	Activities	144,725		\$ 144,725	
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	3,502,252	54,430	144,725	3,701,407 *
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	39,749	0	0	39,749
	TOTAL	\$ 3,741,156	\$ 54,430	\$ 144,725	\$ 3,741,156

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 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	\$ 59,734	\$ 59,734										
010	Housekeeping	148,361	-	\$ 148,361									
060	Laundry and Linen	62,282	2,040	5,068	\$ 69,390								
065	Dietary	343,772	9,031	22,430	0	\$ 375,232							
155	Social Services	N/A	3,131	7,776	0	0	\$ 10,907						
160	Activities	N/A	0	0	0	0	0	\$ -					
165	Administration	N/A	3,071	7,626	0	0	0	0		\$ 10,697	\$ 10,697		
166	Medical Records	52,296	592	1,469	0	0	0	0		54,357		\$ 54,357	
170	Inservice Education - Nursing	60,128	0	0	0	0	0	0	\$ 60,128				
ANCILLARY SERVICES													
075	Patient Supplies		262	650	0	0	0	0	0	911	15	79	\$ 1,006
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		998	2,479	0	0	0	0	0	3,477	593	3,012	7,082
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		998	2,479	0	0	0	0	0	3,477	615	3,128	7,220
083	Speech Pathology		664	1,649	0	0	0	0	0	2,313	227	1,156	3,696
085	Pharmacy		0	0	0	0	0	0	0	0	397	2,015	2,412
090	Laboratory		0	0	0	0	0	0	0	0	47	237	283
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	91	460	551
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		38,682	96,075	69,390	375,232	10,907	0	60,128	650,415	8,639	43,898	702,952 *
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		266	660	0	0	0	0	0	925	8	38	971
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	66	334	400
	TOTAL	\$ 726,573	\$ 59,734	\$ 148,361	\$ 69,390	\$ 375,232	\$ 10,907	\$ -	\$ 60,128	\$ 661,519	\$ 10,697	\$ 54,357	\$ 726,573

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 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	\$ 221,139	\$ 221,139										
010	Housekeeping	109,369	0	\$ 109,369									
060	Laundry and Linen	9,502	7,554	3,736	\$ 20,791								
065	Dietary	226,788	33,432	16,535	0	\$ 276,755							
155	Social Services	(179)	11,591	5,733	0	0	\$ 17,145						
160	Activities	4,719	0	0	0	0	0	\$ 4,719					
165	Administration	N/A	11,368	5,622	0	0	0	0		\$ 16,990	\$ 16,990		
166	Medical Records	5,023	2,190	1,083	0	0	0	0		8,296		\$ 8,296	
170	Inservice Education - Nursing	71	0	0	0	0	0	0	\$ 71				
ANCILLARY SERVICES													
075	Patient Supplies	5,918	968	479	0	0	0	0	0	7,365	25	12	\$ 7,402
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	347,231	3,695	1,827	0	0	0	0	0	352,753	941	460	354,154
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	361,036	3,695	1,827	0	0	0	0	0	366,558	978	477	368,013
083	Speech Pathology	129,433	2,458	1,216	0	0	0	0	0	133,107	361	176	133,645
085	Pharmacy	241,286	0	0	0	0	0	0	0	241,286	630	308	242,224
090	Laboratory	28,336	0	0	0	0	0	0	0	28,336	74	36	28,446
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	55,073	0	0	0	0	0	0	0	55,073	144	70	55,287
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	137,768	143,205	70,825	20,791	276,755	17,145	4,719	71	671,279	13,721	6,700	691,699 *
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	1,029	983	486	0	0	0	0	0	2,499	12	6	2,516
145	Other Nonreimbursable	282	0	0	0	0	0	0	0	282	105	51	438
	TOTAL	\$ 1,883,824	\$ 221,139	\$ 109,369	\$ 20,791	\$ 276,755	\$ 17,145	\$ 4,719	\$ 71	\$ 1,858,538	\$ 16,990	\$ 8,296	\$ 1,883,824

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

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)	\$ 232,371	89%							
	Property Tax (line 40)	29,852	11%	\$ 262,223						
005	Plant Operations and Maintenance			1,912	\$ 1,912					
010	Housekeeping			0	0	\$ -				
060	Laundry and Linen			8,892	65	0	\$ 8,957			
065	Dietary			39,354	289	0	0	\$ 39,643		
155	Social Services			13,644	100	0	0	0	\$ 13,744	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			13,381	98	0	0	0	0	0
166	Medical Records			2,578	19	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			1,140	8	0	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			4,349	32	0	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			4,349	32	0	0	0	0	0
083	Speech Pathology			2,894	21	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			168,572	1,238	0	8,957	39,643	13,744	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
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			1,157	9	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 262,223	100%	\$ 262,223	\$ 1,912	\$ -	\$ 8,957	\$ 39,643	\$ 13,744	\$ -

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

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 89% Of Total	Property Tax 11% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 232,371	89%							
	Property Tax (line 40)	29,852	11%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 13,479	\$ 13,479				
166	Medical Records				2,597		\$ 2,597			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	1,148	20	4	\$ 1,172	\$ 1,038	\$ 133
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	4,381	747	144	5,272	4,672	600
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	4,381	776	149	5,306	4,702	604
083	Speech Pathology			0	2,915	287	55	3,257	2,886	371
085	Pharmacy			0	0	500	96	596	528	68
090	Laboratory			0	0	59	11	70	62	8
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	114	22	136	121	15
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	232,155	10,886	2,097	245,138	217,231	27,907
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	1,166	10	2	1,177	1,043	134
145	Other Nonreimbursable			0	0	83	16	99	88	11
	TOTAL	\$ 262,223	100%	\$ -	\$ 246,147	\$ 13,479	\$ 2,597	\$ 262,223	\$ 232,371	\$ 29,852

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 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. 60% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 11% of Total	Quality Assur. Fees 27% of Total	Caregiver Training 0% of Total
	GENERAL SERVICES													
045	Property Insurance	\$ 14,812												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	917,377												
	Total Costs Allocable as Administration	932,189	60%											
167	CDPH Licensing Fees	23,523	2%											
168	Professional Liability Insurance	172,486	11%											
169	Quality Assurance Fees	423,439	27%											
174	Caregiver Training	0	0%											
	Total	1,551,637	100%						\$ 1,551,637					
	ANCILLARY SERVICES													
075	Patient Supplies			\$ -	\$ 911	\$ 7,365	\$ 1,148	\$ 9,425	2,247	\$ 1,350	\$ 34	\$ 250	\$ 613	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	3,477	352,753	4,381	360,611	85,985	51,658	1,304	9,558	23,465	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	3,477	366,558	4,381	374,416	89,277	53,636	1,353	9,924	24,364	0
083	Speech Pathology			0	2,313	133,107	2,915	138,335	32,985	19,817	500	3,667	9,002	0
085	Pharmacy			0	0	241,286	0	241,286	57,533	34,565	872	6,396	15,701	0
090	Laboratory			0	0	28,336	0	28,336	6,757	4,059	102	751	1,844	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	55,073	0	55,073	13,132	7,889	199	1,460	3,584	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			3,701,407	650,415	671,279	232,155	5,255,256	1,253,081	752,823	18,997	139,297	341,964	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	925	2,499	1,166	4,590	1,094	658	17	122	299	0
145	Other Nonreimbursable			39,749	0	282	0	40,031	9,545	5,735	145	1,061	2,605	0
	SUBTOTAL	\$ 1,551,637		\$ 3,741,156	\$ 661,519	\$ 1,858,538	\$ 246,147	\$ 6,507,360	\$ 1,551,637					
	Total Administrative Costs							\$ 1,551,637		\$ 932,189	\$ 23,523	\$ 172,486	\$ 423,439	\$ -
	Unit Cost Multiplier							0.23844341						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 65,054	\$ 25,286	\$ 16,076	\$ 106,416							
	TOTAL FACILITY COSTS							\$ 8,165,413						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 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	109									
010	Housekeeping										
060	Laundry and Linen	507	507	507							
065	Dietary	2,244	2,244	2,244							
155	Social Services	778	778	778							
160	Activities										
165	Administration	763	763	763							
166	Medical Records	147	147	147							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	65	65	65						9,425	9,425
077	Specialized Support Surfaces									0	0
080	Physical Therapy	248	248	248						360,611	360,611
081	Respiratory Therapy									0	0
082	Occupational Therapy	248	248	248						374,416	374,416
083	Speech Pathology	165	165	165						138,335	138,335
085	Pharmacy									241,286	241,286
090	Laboratory									28,336	28,336
095	Home Health Services									0	0
100	Other Ancillary Services									55,073	55,073
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	9,612	9,612	9,612	193,903	103,375	3,640,020	3,640,020	3,640,020	5,255,256	5,255,256
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	66	66	66						4,590	4,590
145	Other Nonreimbursable									40,031	40,031
	TOTAL STATISTICS	14,952	14,843	14,843	193,903	103,375	3,640,020	3,640,020	3,640,020	6,507,360	6,507,360
	TOTAL DIRECT SALARIES COSTS - SCH. 2						\$ 54,430	\$ 144,725			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.014953215	0.039759397			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		\$ 59,734	\$ 148,361	\$ 69,390	\$ 375,232	\$ 10,907	\$ -	\$ 60,128	\$ 10,697	\$ 54,357
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		4.02438860	9.99535134	0.35785938	3.62981665	0.00299651	0.00000000	0.01651859	0.00164384	0.00835314
	TOTAL INDIRECT OTHER COSTS - SCH. 4		\$ 221,139	\$ 109,369	\$ 20,791	\$ 276,755	\$ 17,145	\$ 4,719	\$ 71	\$ 16,990	\$ 8,296
	UNIT COST MULTIPLIER (INDIRECT OTHER)		14.89853803	7.36838914	0.10722543	2.67719453	0.00471005	0.00129642	0.00001951	0.00261084	0.00127490
	TOTAL CAPITAL COSTS - SCH. 5	\$ 262,223	\$ 1,912	\$ -	\$ 8,957	\$ 39,643	\$ 13,744	\$ -	\$ -	\$ 13,479	\$ 2,597
	UNIT COST MULTIPLIER (CAPITAL COSTS)	17.53765383	0.12878827	0.00000000	0.04619261	0.38349210	0.00377594	0.00000000	0.00000000	0.00207142	0.00039908

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

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	\$ 42,544	\$ 0	\$ 42,544	(Sch 3)
005	.20-.39	Fringe Benefits	6200	17,171	19	17,190	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	230,644	(9,505)	221,139	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 290,359	\$ (9,486)	\$ 280,873	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 105,667	\$ 0	\$ 105,667	(Sch 3)
010	.20-.39	Fringe Benefits	6300	42,647	47	42,694	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	109,369	0	109,369	(Sch 4)
010		Housekeeping - Total	6300	\$ 257,683	\$ 47	\$ 257,730	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 59,366	\$ 0	\$ 59,366	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	12,968	0	12,968	(Sch 5)
025		Depreciation: Equipment	7140	8,431	0	8,431	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	36,338	0	36,338	(Sch 5)
035		Leases and Rentals	7200	13,815	4,753	18,568	(Sch 5)
040		Property Taxes	7300	29,852	0	29,852	(Sch 5)
045		Property Insurance	7400	14,812	0	14,812	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	96,700	0	96,700	(Sch 6)
055		Interest - Other	7600	\$ 4,247	\$ (4,247)	\$ 0	(Sch 6)
057		Subtotal 005 - 055		\$ 824,571	\$ (8,933)	\$ 815,638	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 44,359	\$ 0	\$ 44,359	(Sch 3)
060	.20-.39	Fringe Benefits	6400	17,903	20	17,923	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	9,502	0	9,502	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 71,764	\$ 20	\$ 71,784	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 244,844	\$ 0	\$ 244,844	(Sch 3)
065	.20-.39	Fringe Benefits	6500	98,819	109	98,928	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	226,788	0	226,788	(Sch 4)
065		Dietary - Total	6500	\$ 570,451	\$ 109	\$ 570,560	
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		5,918	5,918	(Sch 4)
075		Patient Supplies - Total	8100	\$ 0	\$ 5,918	\$ 5,918	
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	5,918	(5,918)	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 5,918	\$ (5,918)	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

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		347,231	347,231	(Sch 4)
080		Physical Therapy - Total	8200	\$ 0	\$ 347,231	\$ 347,231	
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	347,231	(347,231)	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 347,231	\$ (347,231)	\$ 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		361,036	361,036	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 0	\$ 361,036	\$ 361,036	
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	361,036	(231,603)	129,433	(Sch 4)
083		Speech Pathology - Total	8280	\$ 361,036	\$ (231,603)	\$ 129,433	
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	129,433	111,853	241,286	(Sch 4)
085		Pharmacy - Total	8300	\$ 129,433	\$ 111,853	\$ 241,286	
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	241,286	(212,950)	28,336	(Sch 4)
090		Laboratory - Total	8400	\$ 241,286	\$ (212,950)	\$ 28,336	
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	28,336	(28,336)	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 28,336	\$ (28,336)	\$ 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		55,073	55,073	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 0	\$ 55,073	\$ 55,073	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:

PETALUMA HEALTH AND REHABILITATION

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:

1104874940

OSHPD Facility Number:

206490961

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	55,073	(55,073)	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 55,073	\$ (55,073)	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
102	.79	Agency Staff	8100-8900		0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 1,168,313	\$ 0	\$ 1,168,313	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,494,405	\$ 0	\$ 2,494,405	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,006,738	1,109	1,007,847	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	137,768	0	137,768	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 3,638,911	\$ 1,109	\$ 3,640,020	
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:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

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	1,029	(1,029)	0	(Sch 4)
139		Residential Care - Total	9100	\$ 1,029	\$ (1,029)	\$ 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		1,029	1,029	(Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 1,029	\$ 1,029	
145		Other Nonreimbursable					
145	.01-.19	Salaries and Wages	9100	\$	\$ 35,847	\$ 35,847	(Sch 2)
145	.20-.39	Fringe Benefits	9100		3,902	3,902	(Sch 2)
145	.49	Agency Staff	9100		0	0	(Sch 2)
145	.40-.99	Other - Nonlabor	9100		282	282	(Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 40,031	\$ 40,031	
146		Subtotal 105 - 145		\$ 3,639,940	\$ 41,140	\$ 3,681,080	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	\$ 38,767	\$ 0	\$ 38,767	(Sch 2)
155	.20-.39	Fringe Benefits	6600	15,646	17	15,663	(Sch 2)
155	.49	Agency Staff	6600		0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	(179)	0	(179)	(Sch 4)
155		Social Services - Total	6600	\$ 54,234	\$ 17	\$ 54,251	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

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	\$ 103,077	\$ 0	\$ 103,077	(Sch 2)
160	.20-.39	Fringe Benefits	6700	41,602	46	41,648	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	4,719	0	4,719	(Sch 4)
160		Activities - Total	6700	\$ 149,398	\$ 46	\$ 149,444	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 243,057	\$ (35,847)	\$ 207,210	(Sch 6)
165	.20-.39	Fringe Benefits	6900	98,097	(3,794)	94,303	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	1,094,008	(478,144)	615,864	(Sch 6)
165		Administration - Total	6900	\$ 1,435,162	\$ (517,785)	\$ 917,377	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 37,246	\$ 0	\$ 37,246	(Sch 3)
166	.20-.39	Fringe Benefits	6900	15,033	17	15,050	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	5,023	0	5,023	(Sch 4)
166		Medical Records - Total	6900	\$ 57,302	\$ 17	\$ 57,319	
167		CDPH Licensing Fees	6900	\$ 23,523	\$ 0	\$ 23,523	(Sch 6)
168		Professional Liability Insurance	6900	\$ 195,258	\$ (22,772)	\$ 172,486	(Sch 6)
169		Quality Assurance Fees	6900	\$ 423,439	\$ 0	\$ 423,439	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 42,967	\$ 0	\$ 42,967	(Sch 3)
170	.20-.39	Fringe Benefits	6800	17,341	(180)	17,161	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	71	0	71	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 60,379	\$ (180)	\$ 60,199	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		Subtotal 155 - 174		\$ 2,398,695	\$ (540,657)	\$ 1,858,038	
200		Total		\$ 8,673,734	\$ (508,321)	\$ 8,165,413	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 419,805	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name:
 PETALUMA HEALTH AND REHABILITATION

Provider NPI:
 1104874940

OSHPD Facility Number:
 206490961

Fiscal Period:
 JANUARY 1, 2011 THROUGH DECEMBER 12, 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	(\$508,321) (To Sch 8)	0	0	0	0	0	(9,505)	1,511	(4,247)

Provider Name:
PETALUMA HEALTH AND REHABILITATION

Provider NPI:
1104874940

OSHPD Facility Number:
206490961

Fiscal Period:
JANUARY 1, 2011 THROUGH DECEMBER 12, 2011

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ 13	AUDIT ADJ 14	AUDIT ADJ 15	AUDIT ADJ 16	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff									
174	4	Caregiver Training - Other - Nonlabor									
200		Total	<u>(199)</u>	<u>(2,379)</u>	<u>(555)</u>	<u>(130,878)</u>	<u>(215,846)</u>	<u>(11,319)</u>	<u>(134,904)</u>	<u>0</u>	<u>0</u>

Provider Name							Fiscal Period	Provider NPI	Adjustments	
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1104874940	21	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>MEMORANDUM ADJUSTMENT</u>										
1	N/A			8	210	N/A	Total Facility Group Health Insurance To include Group Health Insurance in the audit report fo informational purposes only 42 CFR 413.20 and 413.24 CMS Pub 15-1, Sections 2300 and 2304	\$0	\$419,805	\$419,805

Provider Name							Fiscal Period		Provider NPI		Adjustments
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1104874940		21
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>											
2	10.5	035	4	8A-1	035	4	Leases and Rentals	\$13,815	\$2,102	\$15,917 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To reclassify copier lease expenses from the using cost center to the Leases and Rentals cost center. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 52000(e) and 52501	1,094,008	(2,102)	1,091,906 *	
3	10.5	035	4	8A-1	035	4	Leases and Rentals	* \$15,917	\$2,651	\$18,568	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To reclassify computer license expense, a capital related cost, to the Capital Related cost center for proper cost determination. 42 CFR 413.5, 413.20, and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 52000(e) and 52501	* 1,091,906	(2,651)	1,089,255 *	
4	10.5	145	1	8A-1	145	1	Other Nonreimbursable - Salaries and Wages	\$0	\$35,847	\$35,847	
	10.5	145	2	8A-1	145	2	Other Nonreimbursable - Fringe Benefits	0	3,902	3,902	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	243,057	(35,847)	207,210	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits To reclassify the portion of the Admissions Coordinator's salary and benefits expenses related to marketing to a nonreimbursable cost center. 42 CFR 413.5, 413.9, and 413.24 CMS Pub. 15-1, Sections 2136.2, 2304, and 2328	98,097	(3,902)	94,195 *	
5	10.5	145	4	8A-1	145	4	Other Nonreimbursable - Other - Nonlabor	\$0	\$282	\$282	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To reclassify a portion of the admissions coordinator's business meals, telephone, and communications expenses related to marketing to a nonreimbursable cost center. 42 CFR 413.9, 413.20, and 413.24 CMS Pub. 15-1, Sections 2300, 2304, and 2328	* 1,089,255	(282)	1,088,973 *	

Provider Name							Fiscal Period		Provider NPI		Adjustments			
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1104874940		21			
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>RECLASSIFICATION OF REPORTED COSTS</u>														
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$1,088,973	\$22,772	\$1,111,745	*		
	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance		195,258	(22,772)	172,486			
							To reclassify the provider's captive insurance offset to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.8, 2304, and 2162 CCR, Title 22, Sections 52000(b), 52501, and 52507							

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI	Adjustments		
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1104874940	21		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<u>ADJUSTMENTS TO REPORTED COSTS</u>											
7	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor To eliminate patient television costs. 42 CFR 413.9(c)(3), 413.24, and 413.50 CMS Pub. 15-1, Sections 2106.1 and 2304	\$230,644	(\$9,505)	\$221,139	
8	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$17,171	\$19	\$17,190	
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	42,647	47	42,694	
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	17,903	20	17,923	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	98,819	109	98,928	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	1,006,738	1,109	1,007,847	
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	15,646	17	15,663	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	41,602	46	41,648	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 94,195	108	94,303	
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	15,033	17	15,050	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits To include self-insured health paid claims and administration fees to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	17,341	19	17,360 *	
9	10.5	055	4	8A-1	055	4	Interest - Other To eliminate interest expense due to insufficient supporting documentation that the borrowing was necessary, proper, reasonable, and related to patient care. 42 CFR 413.9, 413.20, 413.24, and 413.153 CMS Pub. 15-1, Sections 202, 202.1, 202.2, 2300, and 2304	\$4,247	(\$4,247)	\$0	

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1104874940		21	
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					
ADJUSTMENTS TO REPORTED COSTS											
10	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	\$0	\$5,918	\$5,918	
	10.5	077	4	8A-1	077	4	Specialized Support Surfaces	5,918	(5,918)	0	
	10.5	080	4	8A-1	080	4	Physical Therapy - Other - Nonlabor	0	347,231	347,231	
	10.5	081	4	8A-1	081	4	Respiratory Therapy - Other - Nonlabor	347,231	(347,231)	0	
	10.5	082	4	8A-1	082	4	Occupational Therapy - Other - Nonlabor	0	361,036	361,036	
	10.5	083	4	8A-1	083	4	Speech Pathology - Other - Nonlabor	361,036	(231,603)	129,433	
	10.5	085	4	8A-1	085	4	Pharmacy - Other - Nonlabor	129,433	111,853	241,286	
	10.5	090	4	8A-1	090	4	Laboratory - Other - Nonlabor	241,286	(212,950)	28,336	
	10.5	095	4	8A-1	095	4	Home Health Services - Other - Nonlabor	28,336	(28,336)	0	
	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	0	55,073	55,073	
	10.5	101	4	8A-1	101	4	Subacute Care Ancillary Services - Other - Nonlabor	55,073	(55,073)	0	
	10.5	139	4	8A-1	139	4	Residential Care - Other - Nonlabor	1,029	(1,029)	0	
	10.5	140	4	8A-1	140	4	Beauty and Barber	0	1,029	1,029	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	* 17,360	(199)	17,161	
							To adjust costs reported on Cost Report page 10.5 to agree with provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
11	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* \$1,111,745			
							To adjust reported home office costs to agree with the Evergreen Healthcare Management, LLC Home Office Audit Report for fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				
12									(555)		
							To eliminate membership costs related to social, fraternal, or similar types of organizations. 42 CFR 413.5 and 413.9 CMS Pub. 15-1, Sections 2102.3 and 2138.3				
								(\$2,934)	\$1,108,811	*	

Provider Name							Fiscal Period		Provider NPI		Adjustments
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1104874940		21
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 COSTS</u>											
13	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$1,108,811		
							To eliminate extraordinary legal cost related to the settlement of two cases. The cost was not covered by insurance. CMS Pub. 15-1, Sections 2102.3, 2105.10, 2160A, and 2183			(\$130,878)	
14							To eliminate accrued Court ordered "settlement payment" expense in conjunction with adjustment 13. CMS Pub. 15-1, Sections 2102.3, 2105.10, 2160A, and 2183			(215,846)	
15							To eliminate legal fees for the defense of a lawsuit not covered by insurance and not related to patient care. 42 CFR 413.9(c)(3) and 413.24 CMS Pub. 15-1, Sections 2102.3, 2160, and 2160.2			(11,319)	
16							To eliminate liability damages not covered by insurance and not related to patient care. 42 CFR 413.9(c)(3) and 413.24 CMS Pub. 15-1, Sections 2102.3, 2160, and 2160.2			(134,904)	
										(\$492,947)	
										\$615,864	

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1104874940		21
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u>												
17	4.1	5	6	1	12	N/A	Total Patient Days To adjust total patient days to agree with the provider's patient census reports. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300, and 2304	31,124	427	31,551		
18	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	20,151	20,151		

Provider Name							Fiscal Period	Provider NPI		Adjustments
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1104874940		21
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 MEDI-CAL SETTLEMENT DATA</u>										
19	4.1	5	2	1	15	N/A	Medi-Cal Patient Days To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through November 19, 2012 Report Date: November 20, 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	22,058	(20,261)	1,797

Provider Name							Fiscal Period			Provider NPI		Adjustments		
PETALUMA HEALTH AND REHABILITATION							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1104874940		21		
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 OTHER MATTERS</u>														
20	Not Reported			1	14	N/A	Overpayments						\$793	
							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							
21							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1						4,496	
													\$5,289	\$5,289