

**REPORT  
ON THE  
RATE SETTING AUDIT**

**PORTERVILLE CONVALSCENT HOSPITAL  
PORTERVILLE, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1215001763**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Michael Harrold  
Audit Supervisor: Kristina Nacino  
Auditor: Lisa Merrill**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

May 17, 2013

Jim Higbee  
Director of Reimbursement  
Magnolia Health Corporation  
999 North M Street  
Tulare, CA 93274

PORTERVILLE CONVALESCENT HOSPITAL  
NATIONAL PROVIDER IDENTIFIER (NPI) 1215001763  
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 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 \$163,105, 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 Rate Development Division.

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

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

Chief  
Department of Health Care Services  
Office of Administrative Hearings and Appeals  
1029 J Street, Suite 200  
Sacramento, CA 95814  
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

**United States Postal Service (USPS)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
PO Box 997413  
Sacramento, CA 95899

**Courier (UPS, FedEx, etc.)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
1501 Capitol Avenue, Suite 71.5001  
Sacramento, CA 95814  
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and California Code of Regulations, Title 22, Section 51016, et seq.

Jim Higbee  
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If you have questions regarding this report, you may call the Audits Section—Fresno at (559) 446-2458.

Original Signed By

Michael A. Harrold, Chief  
Audits Section—Fresno  
Financial Audits Branch

Certified

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

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility No.:  
206544041

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	\$ 2,312,565	\$ 69.12
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 559,909	\$ 16.74
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 606,894	\$ 18.14
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 410,428	\$ 12.27
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 42,238	\$ 1.26
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 23,218	\$ 0.69
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 43,954	\$ 1.31
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 360,491	\$ 10.78
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 940,280	\$ 28.11
11	Cost of Routine Service/Audited Total Costs	\$ 5,351,794.00	\$ 5,299,978	\$ 158.42
12	Total Patient Days (Adj )	33,455	33,455	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 159.97	\$ 158.42	
14	Overpayments (Adj 13-15)	\$ 0	\$ (163,105)	
15	Medi-Cal Days (Adj 11-12)	25,642	25,337	
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:**  
PORTERVILLE CONVALESCENT HOSPITAL

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

**Provider NPI:**  
1215001763

**OSHPD Facility No.:**  
206544041

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:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility No.:  
206544041

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	\$ 48,119	\$ 48,119		
160	Activities	54,193		\$ 54,193	
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	308,630	0	0	308,630
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	209,877	0	0	209,877
083	Speech Pathology	39,885	0	0	39,885
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	2,210,253	48,119	54,193	2,312,565 *
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>\$ 2,870,957</b>	<b>\$ 48,119</b>	<b>\$ 54,193</b>	<b>\$ 2,870,957</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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	\$ 43,493	\$ 43,493										
010	Housekeeping	129,432	565	\$ 129,997									
060	Laundry and Linen	69,673	1,082	3,278	\$ 74,033								
065	Dietary	253,878	4,356	13,190	0	\$ 271,424							
155	Social Services	N/A	260	787	0	0	\$ 1,046						
160	Activities	N/A	2,650	8,024	0	0	0	\$ 10,674					
165	Administration	N/A	2,516	7,618	0	0	0	0	\$ 10,134	\$ 10,134			
166	Medical Records	58,619	398	1,206	0	0	0	0	60,224		\$ 60,224		
170	Inservice Education - Nursing	32,006	844	2,557	0	0	0	0	\$ 35,407				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		797	2,413	0	0	0	0	0	3,209	173	1,031	\$ 4,414
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		823	2,491	0	0	0	0	0	3,314	680	4,044	8,038
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		823	2,491	0	0	0	0	0	3,314	474	2,818	6,606
083	Speech Pathology		178	538	0	0	0	0	0	715	91	541	1,347
085	Pharmacy		173	524	0	0	0	0	0	698	551	3,276	4,524
090	Laboratory		0	0	0	0	0	0	0	0	15	88	102
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	138	821	959
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		27,752	84,040	74,033	271,424	1,046	10,674	35,407	504,378	7,998	47,533	559,909 *
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		277	839	0	0	0	0	0	1,116	12	72	1,200
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 587,101	\$ 43,493	\$ 129,997	\$ 74,033	\$ 271,424	\$ 1,046	\$ 10,674	\$ 35,407	\$ 516,744	\$ 10,134	\$ 60,224	\$ 587,101

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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	\$ 202,333	\$ 202,333										
010	Housekeeping	23,483	2,629	\$ 26,112									
060	Laundry and Linen	16,877	5,036	658	\$ 22,571								
065	Dietary	204,545	20,264	2,649	0	\$ 227,458							
155	Social Services	0	1,209	158	0	0	\$ 1,367						
160	Activities	4,008	12,327	1,612	0	0	0	\$ 17,947					
165	Administration	N/A	11,703	1,530	0	0	0	0		\$ 13,233	\$ 13,233		
166	Medical Records	11,291	1,853	242	0	0	0	0		13,386		\$ 13,386	
170	Inservice Education - Nursing	0	3,928	514	0	0	0	0	\$ 4,441				
	<b>ANCILLARY SERVICES</b>												
075	Patient Supplies	66,469	3,706	485	0	0	0	0	0	70,660	227	229	\$ 71,116
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	0	3,827	500	0	0	0	0	0	4,328	889	899	6,115
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	3,827	500	0	0	0	0	0	4,328	619	626	5,573
083	Speech Pathology	0	826	108	0	0	0	0	0	934	119	120	1,173
085	Pharmacy	260,254	806	105	0	0	0	0	0	261,165	720	728	262,613
090	Laboratory	7,066	0	0	0	0	0	0	0	7,066	19	19	7,105
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	66,127	0	0	0	0	0	0	0	66,127	180	182	66,490
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	166,115	129,104	16,881	22,571	227,458	1,367	17,947	4,441	585,884	10,445	10,566	606,894 *
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	0	1,289	169	0	0	0	0	0	1,458	16	16	1,489
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,028,568</b>	<b>\$ 202,333</b>	<b>\$ 26,112</b>	<b>\$ 22,571</b>	<b>\$ 227,458</b>	<b>\$ 1,367</b>	<b>\$ 17,947</b>	<b>\$ 4,441</b>	<b>\$ 1,001,949</b>	<b>\$ 13,233</b>	<b>\$ 13,386</b>	<b>\$ 1,028,568</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 448,955	91%							
	Property Tax (line 40)	46,203	9%	\$ 495,158						
005	Plant Operations and Maintenance			16,764	\$ 16,764					
010	Housekeeping			6,215	218	\$ 6,433				
060	Laundry and Linen			11,906	417	162	\$ 12,486			
065	Dietary			47,911	1,679	653	0	\$ 50,242		
155	Social Services			2,858	100	39	0	0	\$ 2,997	
160	Activities			29,147	1,021	397	0	0	0	\$ 30,565
165	Administration			27,670	970	377	0	0	0	0
166	Medical Records			4,382	154	60	0	0	0	0
170	Inservice Education - Nursing			9,287	325	127	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			8,763	307	119	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			9,049	317	123	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			9,049	317	123	0	0	0	0
083	Speech Pathology			1,953	68	27	0	0	0	0
085	Pharmacy			1,905	67	26	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			305,253	10,697	4,159	12,486	50,242	2,997	30,565
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			3,048	107	42	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 495,158</b>	<b>100%</b>	<b>\$ 495,158</b>	<b>\$ 16,764</b>	<b>\$ 6,433</b>	<b>\$ 12,486</b>	<b>\$ 50,242</b>	<b>\$ 2,997</b>	<b>\$ 30,565</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 91% Of Total	Property Tax 9% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 448,955	91%							
	Property Tax (line 40)	46,203	9%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 29,017	\$ 29,017				
166	Medical Records				4,595		\$ 4,595			
170	Inservice Education - Nursing			\$ 9,739						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	9,189	497	79	\$ 9,765	\$ 8,854	\$ 911
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	9,489	1,948	309	11,746	10,650	1,096
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	9,489	1,358	215	11,062	10,030	1,032
083	Speech Pathology			0	2,048	261	41	2,350	2,130	219
085	Pharmacy			0	1,998	1,578	250	3,826	3,469	357
090	Laboratory			0	0	42	7	49	44	5
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	396	63	458	415	43
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			9,739	426,137	22,902	3,627	452,666	410,428	42,238 *
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	3,196	35	5	3,236	2,934	302
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 495,158	100%	\$ 9,739	\$ 461,546	\$ 29,017	\$ 4,595	\$ 495,158	\$ 448,955	\$ 46,203

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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. 69% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 3% of Total	Quality Assur. Fees 26% of Total	Caregiver Training 0% of Total
	<b>GENERAL SERVICES</b>													
045	Property Insurance	\$ 9,909												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,181,401												
	Total Costs Allocable as Administration	1,191,310	69%											
167	CDPH Licensing Fees	29,417	2%											
168	Professional Liability Insurance	55,688	3%											
169	Quality Assurance Fees	456,733	26%											
174	Caregiver Training	0	0%											
	Total	1,733,148	100%						\$ 1,733,148					
	<b>ANCILLARY SERVICES</b>													
075	Patient Supplies			\$ -	\$ 3,209	\$ 70,660	\$ 9,189	\$ 83,059	29,674	\$ 20,397	\$ 504	\$ 953	\$ 7,820	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			308,630	3,314	4,328	9,489	325,761	116,382	79,997	1,975	3,739	30,670	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			209,877	3,314	4,328	9,489	227,008	81,101	55,746	1,377	2,606	21,372	0
083	Speech Pathology			39,885	715	934	2,048	43,582	15,570	10,702	264	500	4,103	0
085	Pharmacy			0	698	261,165	1,998	263,860	94,267	64,796	1,600	3,029	24,842	0
090	Laboratory			0	0	7,066	0	7,066	2,524	1,735	43	81	665	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	66,127	0	66,127	23,625	16,239	401	759	6,226	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			2,312,565	504,378	585,884	426,137	3,828,964	1,367,943	940,280	23,218	43,954	360,491	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	1,116	1,458	3,196	5,770	2,062	1,417	35	66	543	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,733,148		\$ 2,870,957	\$ 516,744	\$ 1,001,949	\$ 461,546	\$ 4,851,196	\$ 1,733,148					
	Total Administrative Costs							\$ 1,733,148		\$ 1,191,310	\$ 29,417	\$ 55,688	\$ 456,733	\$ -
	Unit Cost Multiplier							0.35726202						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 70,357	\$ 26,619	\$ 33,612	\$ 130,588							
	<b>TOTAL FACILITY COSTS</b>							\$ 6,714,932						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 10)	Plant Ops (SQ FT) 5 (Adj 10)	Hskpng (SQ FT) 10 (Adj 10)	Laundry (LBS) 60 (Adj )	Dietary (MEALS) 65 (Adj )	Soc Srvs (DIRECT EXP) 155 (Adj )	Activities (DIRECT EXP) 160 (Adj )	Inserv. Ed (DIRECT EXP) 170 (Adj )	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	704									
010	Housekeeping	261	261								
060	Laundry and Linen	500	500	500							
065	Dietary	2,012	2,012	2,012							
155	Social Services	120	120	120							
160	Activities	1,224	1,224	1,224							
165	Administration	1,162	1,162	1,162							
166	Medical Records	184	184	184							
170	Inservice Education - Nursing	390	390	390							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	368	368	368						83,059	83,059
077	Specialized Support Surfaces									0	0
080	Physical Therapy	380	380	380						325,761	325,761
081	Respiratory Therapy									0	0
082	Occupational Therapy	380	380	380						227,008	227,008
083	Speech Pathology	82	82	82						43,582	43,582
085	Pharmacy	80	80	80						263,860	263,860
090	Laboratory									7,066	7,066
095	Home Health Services									0	0
100	Other Ancillary Services									66,127	66,127
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	12,819	12,819	12,819	164,740	98,844	2,376,368	2,376,368	2,376,368	3,828,964	3,828,964
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	128	128	128						5,770	5,770
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	20,794	20,090	19,829	164,740	98,844	2,376,368	2,376,368	2,376,368	4,851,196	4,851,196
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						\$ 48,119 0.020248968	\$ 54,193 0.02280497			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		\$ 43,493 2.16490791	\$ 129,997 6.55590504	\$ 74,033 0.44939545	\$ 271,424 2.74598636	\$ 1,046 0.00044038	\$ 10,674 0.00449184	\$ 35,407 0.01489968	\$ 10,134 0.00208888	\$ 60,224 0.01241418
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		\$ 202,333 10.07132902	\$ 26,112 1.31683982	\$ 22,571 0.13701035	\$ 227,458 2.30118162	\$ 1,367 0.00057507	\$ 17,947 0.00755233	\$ 4,441 0.00186898	\$ 13,233 0.00272779	\$ 13,386 0.00275941
	<b>TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	\$ 495,158 23.81254208	\$ 16,764 0.83444647	\$ 6,433 0.32441697	\$ 12,486 0.07579035	\$ 50,242 0.50830063	\$ 2,997 0.00126099	\$ 30,565 0.01286207	\$ 9,739 0.00409821	\$ 29,017 0.00598137	\$ 4,595 0.00094714

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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	\$ 43,493	\$ 0	\$ 43,493	(Sch 3)
005	.20-.39	Fringe Benefits	6200		0	0	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	202,333	0	202,333	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 245,826	\$ 0	\$ 245,826	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 93,326	\$ 0	\$ 93,326	(Sch 3)
010	.20-.39	Fringe Benefits	6300	36,590	(484)	36,106	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	23,483	0	23,483	(Sch 4)
010		Housekeeping - Total	6300	\$ 153,399	\$ (484)	\$ 152,915	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 448,955	\$ 0	\$ 448,955	(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		0	0	(Sch 5)
040		Property Taxes	7300	45,889	314	46,203	(Sch 5)
045		Property Insurance	7400	9,909	0	9,909	(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>		\$ 903,978	\$ (170)	\$ 903,808	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 49,934	\$ 0	\$ 49,934	(Sch 3)
060	.20-.39	Fringe Benefits	6400	19,998	(259)	19,739	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	16,877	0	16,877	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 86,809	\$ (259)	\$ 86,550	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 190,028	\$ 0	\$ 190,028	(Sch 3)
065	.20-.39	Fringe Benefits	6500	64,835	(985)	63,850	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	204,545	0	204,545	(Sch 4)
065		Dietary - Total	6500	\$ 459,408	\$ (985)	\$ 458,423	
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	10,468	56,001	66,469	(Sch 4)
075		Patient Supplies - Total	8100	\$ 10,468	\$ 56,001	\$ 66,469	
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:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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	308,630	0	308,630	(Sch 2)
080	.40-.99	Other - Nonlabor	8200		0	0	(Sch 4)
080		Physical Therapy - Total	8200	\$ 308,630	\$ 0	\$ 308,630	
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	209,877	0	209,877	(Sch 2)
082	.40-.99	Other - Nonlabor	8250		0	0	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 209,877	\$ 0	\$ 209,877	
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	39,885	0	39,885	(Sch 2)
083	.40-.99	Other - Nonlabor	8280		0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 39,885	\$ 0	\$ 39,885	
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	260,254	0	260,254	(Sch 4)
085		Pharmacy - Total	8300	\$ 260,254	\$ 0	\$ 260,254	
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	7,066	0	7,066	(Sch 4)
090		Laboratory - Total	8400	\$ 7,066	\$ 0	\$ 7,066	
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	0	66,127	66,127	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 0	\$ 66,127	\$ 66,127	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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	66,127	(66,127)	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 66,127	\$ (66,127)	\$ 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		\$ 902,307	\$ 56,001	\$ 958,308	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,644,328	\$ 24,521	\$ 1,668,849	(Sch 2)
105	.20-.39	Fringe Benefits	6110	563,778	(22,374)	541,404	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	229,053	(62,938)	166,115	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,437,159	\$ (60,791)	\$ 2,376,368	
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:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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		0	0 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 0	\$ 0
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (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>		\$ 2,437,159	\$ (60,791)	\$ 2,376,368
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 36,301	\$ 0	\$ 36,301 (Sch 2)
155	.20-.39	Fringe Benefits	6600	12,006	(188)	11,818 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600		0	0 (Sch 4)
155		Social Services - Total	6600	\$ 48,307	\$ (188)	\$ 48,119

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
PORTERVILLE CONVALESCENT HOSPITAL

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

Provider NPI:  
1215001763

OSHPD Facility Number:  
206544041

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	\$ 39,924	\$ 0	\$ 39,924	(Sch 2)
160	.20-.39	Fringe Benefits	6700	14,476	(207)	14,269	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	4,008	0	4,008	(Sch 4)
160		Activities - Total	6700	\$ 58,408	\$ (207)	\$ 58,201	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 140,950	\$ 0	\$ 140,950	(Sch 6)
165	.20-.39	Fringe Benefits	6900	58,568	(5,062)	53,506	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	963,948	22,997	986,945	(Sch 6)
165		Administration - Total	6900	\$ 1,163,466	\$ 17,935	\$ 1,181,401	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 39,292	\$ 0	\$ 39,292	(Sch 3)
166	.20-.39	Fringe Benefits	6900	19,531	(204)	19,327	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	11,291	0	11,291	(Sch 4)
166		Medical Records - Total	6900	\$ 70,114	\$ (204)	\$ 69,910	
167		CDPH Licensing Fees	6900	\$ 29,417	\$ 0	\$ 29,417	(Sch 6)
168		Professional Liability Insurance	6900	\$ 55,688	\$ 0	\$ 55,688	(Sch 6)
169		Quality Assurance Fees	6900	\$ 456,733	\$ 0	\$ 456,733	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 24,289	\$ 0	\$ 24,289	(Sch 3)
170	.20-.39	Fringe Benefits	6800	8,110	(393)	7,717	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 32,399	\$ (393)	\$ 32,006	
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>		\$ 1,914,532	\$ 16,943	\$ 1,931,475	
200		<b>Total</b>		\$ 6,704,193	\$ 10,739	\$ 6,714,932	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 197,212	
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\* For informational purposes only, this amount is included in various cost centers above.









Provider Name							Fiscal Period			Provider NPI		Adjustments
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1215001763		15
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>MEMORANDUM ADJUSTMENT</u>												
1	Not Reported			8	210	N/A	Total Facility Group Health Insurance To include total health insurance cost for informational purpose 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$197,212	\$197,212

Provider Name							Fiscal Period	Provider NPI		Adjustments	
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1215001763		15	
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>RECLASSIFICATIONS OF REPORTED COSTS</u></b>											
2	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$229,053	(\$56,001)	\$173,052 *	
	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	10,468	56,001	66,469	
							To reclassify oxygen expense to the appropriate cost center for proper cost determination. 42 CFR 413.5, 413.20, 413.24, 413.50 and 413.53 CMS Pub. 15-1, Sections 2102, 2202.4, 2206, 2300, 2302.4, 2302.8, 2304 and 2306 CCR, Title 22, 51511(c)				
3	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* \$173,052	(\$12,107)	\$160,945 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	963,948	12,107	976,055 *	
							To reclassify medical director fees to the appropriate cost center. 42 CFR 483.75(i)(2), 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, 52000(b)				
4	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	\$36,590	(\$484)	\$36,106	
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	19,998	(259)	19,739	
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	64,835	(985)	63,850	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	563,778	(8,217)	555,561 *	
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	12,006	(188)	11,818	
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	14,476	(207)	14,269	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	58,568	(220)	58,348 *	
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	19,531	(204)	19,327	
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	8,110	(126)	7,984 *	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 976,055	10,890	986,945	
							To reclassify the provider's reclassifications of employee physicals to the appropriate cost center. 42 CFR 413.20 and 413.24 CMS Pub 15-1, Sections 2300 and 2304 OSHPD LTC Manual, Chapter 3000, Section 3220.2				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments	
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1215001763		15	
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>											
5	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	\$555,561	(\$5,170)	\$550,391 *
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	*	160,945	5,170	166,115
							To reclassify recruiting expense to the appropriate cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
6	10.5	101	4	8A-1	101	4	Subacute Care Ancillary Services - Other - Nonlabor		\$66,127	(\$66,127)	\$0
	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor		0	66,127	66,127
							To reclassify other ancillary services to the appropriate cost center for proper cost reporting. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1215001763		15
Report References										
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
<b>ADJUSTMENTS TO REPORTED COSTS</b>										
7	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$1,644,328	\$24,521	\$1,668,849
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 550,391	3,052	553,443 *
							To adjust director of nursing salaries and benefits to agree with the provider's payroll records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
8	10.5	040	4	8A-1	040	4	Property Taxes	\$45,889	\$314	\$46,203
							To adjust property taxes to agree with the property tax bills. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
9	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* \$553,443	(\$12,039)	\$541,404
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 58,348	(4,842)	53,506
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	* 7,984	(267)	7,717
							To adjust fringe benefits to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1215001763		15
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>ADJUSTMENT TO REPORTED STATISTICS</u></b>											
10	10.7	065	1,2,3	7	065	N/A	Dietary (Square Feet)	1,081	931	2,012	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	448	(80)	368	
	10.7	085	1,2,3	7	085	N/A	Pharmacy	0	80	80	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	12,523	296	12,819	
	10.7	155	1,2,3	7	155	N/A	Social Services	693	(573)	120	
	10.7	160	1,2,3	7	160	N/A	Activities	0	1,224	1,224	
	10.7	165	1	7	165	N/A	Administration	1,538	(376)	1,162	
	10.7	165	2,3	7	165	N/A	Administration	1,583	(421)	1,162	
	10.7	170	1,2,3	7	170	N/A	Inservice Education - Nursing	0	390	390	
	10.7	175	1	7	N/A	N/A	Total Square Feet - Capital	18,902	1,892	20,794	
	10.7	175	2	7	N/A	N/A	Total Square Feet - Plant Operations and Operations	18,243	1,847	20,090	
	10.7	175	3	7	N/A	N/A	Total Square Feet - Housekeeping	17,982	1,847	19,829	
							To adjust square footage statistics to agree with the provider's records in order to properly allocate indirect costs. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306				

Provider Name							Fiscal Period		Provider NPI		Adjustments
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011		1215001763		15
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b>ADJUSTMENTS TO REPORTED PATIENT DAYS</b>											
	4.1	5	2	1	15	N/A	Medi-Cal Days	25,642			
11	To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: 01/01/2011 through 12/31/2011 Payment Period: 01/01/2011 through 09/14/2012 Report Date: 09/25/2012 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								(296)		
12	To adjust Medi-Cal Days due to improper billing and due to insufficient documentation in conjunction with adjustment 13. 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								(9) (305)	25,337	

Provider Name							Fiscal Period			Provider NPI		Adjustments
PORTERVILLE CONVALESCENT HOSPITAL							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1215001763		15
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<b><u>ADJUSTMENTS TO OTHER MATTERS</u></b>												
	N/A				12	N/A	Medi-Cal Overpayments		\$0			
13							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed, due to billing errors and due to insufficient documentation. 42 CFR 413.5, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2409 CCR, Title 22, Sections 50786 and 51458.1		\$29,740			
14							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		122,633			
15							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed and due to insufficient documentation. 42 CFR 413.5, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2409 CCR, Title 22, Sections 50786 and 51458.1		<u>10,732</u> \$163,105		\$163,105	