

**REPORT  
ON THE  
RATE SETTING AUDIT**

**VALLEY HOUSE CARE CENTER  
SANTA CLARA, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1710058441  
FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Louise Wong  
Audit Supervisor: Diana Dong  
Auditor: Wenli Wei**



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



EDMUND G. BROWN JR.  
GOVERNOR

April 5, 2013

Merlin Davey, Administrator  
Valley House Care Center  
991 Clyde Avenue  
Santa Clara, CA 95054

VALLEY HOUSE CARE CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1710058441  
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, 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 and patient days for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit Adjustments Schedule

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

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

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

John Melton, 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—Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief  
Audits Section—Richmond  
Financial Audits Branch

Certified

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

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility No.:  
206430798

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	\$ 5,719,251	\$ 101.04
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 1,376,312	\$ 24.31
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 1,931,851	\$ 34.13
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 1,064,019	\$ 18.80
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 74,334	\$ 1.31
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 36,928	\$ 0.65
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 165,206	\$ 2.92
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 612,708	\$ 10.82
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 1,262,134	\$ 22.30
11	Cost of Routine Service/Audited Total Costs	\$ 13,790,075	\$ 12,242,744	\$ 216.28
12	Total Patient Days (Adj )	56,605	56,605	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 243.62	\$ 216.28	
14	Overpayments (Adj )	\$	\$ 0	
15	Medi-Cal Days (Adj 5)	35,614	31,763	
16	Medi-Cal Managed Care Days (Adj 6)		3,804	
<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:**  
VALLEY HOUSE CARE CENTER

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

**Provider NPI:**  
1710058441

**OSHPD Facility No.:**  
206430798

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:**  
VALLEY HOUSE CARE CENTER

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

**Provider NPI:**  
1710058441

**OSHPD Facility No.:**  
206430798

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	\$ 147,318	\$ 147,318		
160	Activities	312,234		\$ 312,234	
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	673,852	0	0	673,852
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	673,852	0	0	673,852
083	Speech Pathology	149,745	0	0	149,745
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	5,259,699	147,318	312,234	5,719,251
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>\$ 7,216,700</b>	<b>\$ 147,318</b>	<b>\$ 312,234</b>	<b>\$ 7,216,700</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
VALLEY HOUSE CARE CENTER

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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	\$ 177,332	\$ 177,332										
010	Housekeeping	323,819	2,005	\$ 325,824									
060	Laundry and Linen	74,005	5,940	11,038	\$ 90,983								
065	Dietary	590,421	14,087	26,179	0	\$ 630,687							
155	Social Services	N/A	541	1,005	0	0	\$ 1,546						
160	Activities	N/A	19,988	37,146	0	0	0	\$ 57,134					
165	Administration	N/A	6,043	11,231	0	0	0	0		\$ 17,275	\$ 17,275		
166	Medical Records	154,328	0	0	0	0	0	0		154,328		\$ 154,328	
170	Inservice Education - Nursing	110,726	2,841	5,280	0	0	0	0	\$ 118,848				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		3,907	7,261	0	0	0	0	0	11,168	71	632	\$ 11,871
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	41	364	404
080	Physical Therapy		874	1,625	0	0	0	0	0	2,499	974	8,698	12,170
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		874	1,625	0	0	0	0	0	2,499	953	8,511	11,962
083	Speech Pathology		874	1,625	0	0	0	0	0	2,499	224	2,001	4,724
085	Pharmacy		0	0	0	0	0	0	0	0	877	7,831	8,708
090	Laboratory		0	0	0	0	0	0	0	0	98	879	978
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	218	1,947	2,165
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		118,974	221,099	90,983	630,687	1,546	57,134	118,848	1,239,270	13,796	123,246	1,376,312 *
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		382	711	0	0	0	0	0	1,093	24	218	1,336
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 1,430,631	\$ 177,332	\$ 325,824	\$ 90,983	\$ 630,687	\$ 1,546	\$ 57,134	\$ 118,848	\$ 1,259,028	\$ 17,275	\$ 154,328	\$ 1,430,631

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
VALLEY HOUSE CARE CENTER

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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	\$ 493,130	\$ 493,130										
010	Housekeeping	109,704	5,577	\$ 115,281									
060	Laundry and Linen	13,477	16,517	3,905	\$ 33,900								
065	Dietary	631,419	39,173	9,262	0	\$ 679,855							
155	Social Services	4,360	1,504	356	0	0	\$ 6,220						
160	Activities	70,411	55,584	13,143	0	0	0	\$ 139,138					
165	Administration	N/A	16,806	3,974	0	0	0	0		\$ 20,780	\$ 20,780		
166	Medical Records	0	0	0	0	0	0	0		0		\$ -	
170	Inservice Education - Nursing	0	7,902	1,868	0	0	0	0	\$ 9,770				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	0	10,865	2,569	0	0	0	0	0	13,433	85	0	\$ 13,519
077	Specialized Support Surfaces	29,436	0	0	0	0	0	0	0	29,436	49	0	29,485
080	Physical Therapy	18,928	2,431	575	0	0	0	0	0	21,934	1,171	0	23,105
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	3,803	2,431	575	0	0	0	0	0	6,809	1,146	0	7,955
083	Speech Pathology	845	2,431	575	0	0	0	0	0	3,851	269	0	4,121
085	Pharmacy	634,106	0	0	0	0	0	0	0	634,106	1,054	0	635,160
090	Laboratory	71,206	0	0	0	0	0	0	0	71,206	118	0	71,324
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	157,655	0	0	0	0	0	0	0	157,655	262	0	157,917
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	637,302	330,845	78,227	33,900	679,855	6,220	139,138	9,770	1,915,256	16,595	0	1,931,851*
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	12,667	1,064	252	0	0	0	0	0	13,982	29	0	14,012
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 2,888,449</b>	<b>\$ 493,130</b>	<b>\$ 115,281</b>	<b>\$ 33,900</b>	<b>\$ 679,855</b>	<b>\$ 6,220</b>	<b>\$ 139,138</b>	<b>\$ 9,770</b>	<b>\$ 2,867,669</b>	<b>\$ 20,780</b>	<b>\$ -</b>	<b>\$ 2,888,449</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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)	\$ 1,115,754	93%							
	Property Tax (line 40)	77,948	7%	\$ 1,193,702						
005	Plant Operations and Maintenance			16,826	\$ 16,826					
010	Housekeeping			13,309	190	\$ 13,499				
060	Laundry and Linen			39,419	564	457	\$ 40,440			
065	Dietary			93,489	1,337	1,085	0	\$ 95,910		
155	Social Services			3,590	51	42	0	0	\$ 3,683	
160	Activities			132,654	1,897	1,539	0	0	0	\$ 136,089
165	Administration			40,108	573	465	0	0	0	0
166	Medical Records			0	0	0	0	0	0	0
170	Inservice Education - Nursing			18,857	270	219	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			25,929	371	301	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			5,802	83	67	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			5,802	83	67	0	0	0	0
083	Speech Pathology			5,802	83	67	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			789,576	11,289	9,160	40,440	95,910	3,683	136,089
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			2,538	36	29	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,193,702</b>	<b>100%</b>	<b>\$ 1,193,702</b>	<b>\$ 16,826</b>	<b>\$ 13,499</b>	<b>\$ 40,440</b>	<b>\$ 95,910</b>	<b>\$ 3,683</b>	<b>\$ 136,089</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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 93% Of Total	Property Tax 7% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 1,115,754	93%							
	Property Tax (line 40)	77,948	7%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 41,147	\$ 41,147				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ 19,346						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	26,600	169	0	\$ 26,769	\$ 25,021	\$ 1,748
077	Specialized Support Surfaces			0	0	97	0	97	91	6
080	Physical Therapy			0	5,953	2,319	0	8,271	7,731	540
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	5,953	2,269	0	8,222	7,685	537
083	Speech Pathology			0	5,953	534	0	6,486	6,063	424
085	Pharmacy			0	0	2,088	0	2,088	1,952	136
090	Laboratory			0	0	234	0	234	219	15
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	519	0	519	485	34
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			19,346	1,105,493	32,860	0	1,138,353	1,064,019	74,334 *
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	2,604	58	0	2,662	2,489	174
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 1,193,702	100%	\$ 19,346	\$ 1,152,555	\$ 41,147	\$ -	\$ 1,193,702	\$ 1,115,754	\$ 77,948

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
VALLEY HOUSE CARE CENTER

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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. 61% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 8% of Total	Quality Assur. Fees 30% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 10,342												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,570,091												
	Total Costs Allocable as Administration	1,580,433	61%											
167	CDPH Licensing Fees	46,241	2%											
168	Professional Liability Insurance	206,870	8%											
169	Quality Assurance Fees	767,228	30%											
174	Caregiver Training	0	0%											
	Total	2,600,772	100%						\$ 2,600,772					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 11,168	\$ 13,433	\$ 26,600	\$ 51,201	10,656	\$ 6,476	\$ 189	\$ 848	\$ 3,144	\$ -
077	Specialized Support Surfaces			0	0	29,436	0	29,436	6,126	3,723	109	487	1,807	0
080	Physical Therapy			673,852	2,499	21,934	5,953	704,238	146,572	89,069	2,606	11,659	43,239	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			673,852	2,499	6,809	5,953	689,113	143,424	87,156	2,550	11,408	42,310	0
083	Speech Pathology			149,745	2,499	3,851	5,953	162,048	33,727	20,495	600	2,683	9,949	0
085	Pharmacy			0	0	634,106	0	634,106	131,976	80,199	2,346	10,498	38,933	0
090	Laboratory			0	0	71,206	0	71,206	14,820	9,006	263	1,179	4,372	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	157,655	0	157,655	32,813	19,940	583	2,610	9,680	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			5,719,251	1,239,270	1,915,256	1,105,493	9,979,271	2,076,977	1,262,134	36,928	165,206	612,708	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	1,093	13,982	2,604	17,680	3,680	2,236	65	293	1,086	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 2,600,772		\$ 7,216,700	\$ 1,259,028	\$ 2,867,669	\$ 1,152,555	\$ 12,495,953	\$ 2,600,772					
	Total Administrative Costs							\$ 2,600,772		\$ 1,580,433	\$ 46,241	\$ 206,870	\$ 767,228	\$ -
	Unit Cost Multiplier							0.20812914						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 171,603	\$ 20,780	\$ 41,147	\$ 233,529							
	<b>TOTAL FACILITY COSTS</b>							\$ 15,330,254						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
VALLEY HOUSE CARE CENTER

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5	Hskpng (SQ FT) 10	Laundry (LBS) 60	Dietary (MEALS) 65	Soc Svcs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	Inserv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	464									
010	Housekeeping	367	367								
060	Laundry and Linen	1,087	1,087	1,087							
065	Dietary	2,578	2,578	2,578							
155	Social Services	99	99	99							
160	Activities	3,658	3,658	3,658							
165	Administration	1,106	1,106	1,106							
166	Medical Records										
170	Inservice Education - Nursing	520	520	520							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	715	715	715						51,201	51,201
077	Specialized Support Surfaces	0								29,436	29,436
080	Physical Therapy	160	160	160						704,238	704,238
081	Respiratory Therapy	0								0	0
082	Occupational Therapy	160	160	160						689,113	689,113
083	Speech Pathology	160	160	160						162,048	162,048
085	Pharmacy									634,106	634,106
090	Laboratory									71,206	71,206
095	Home Health Services									0	0
100	Other Ancillary Services									157,655	157,655
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	21,773	21,773	21,773	556,440	166,932	5,897,001	5,897,001	5,897,001	9,979,271	9,979,271
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	70	70	70						17,680	17,680
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	<b>32,917</b>	<b>32,453</b>	<b>32,086</b>	<b>556,440</b>	<b>166,932</b>	<b>5,897,001</b>	<b>5,897,001</b>	<b>5,897,001</b>	<b>12,495,953</b>	<b>12,495,953</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						\$ 147,318 0.024981851	\$ 312,234 0.052947931			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		\$ 177,332 5.46427141	\$ 325,824 10.15472130	\$ 90,983 0.16350882	\$ 630,687 3.77810584	\$ 1,546 0.00026222	\$ 57,134 0.00968870	\$ 118,848 0.02015395	\$ 17,275 0.00138242	\$ 154,328 0.01235024
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		\$ 493,130 15.19520537	\$ 115,281 3.59286419	\$ 33,900 0.06092235	\$ 679,855 4.07264421	\$ 6,220 0.00105478	\$ 139,138 0.02359466	\$ 9,770 0.00165674	\$ 20,780 0.00166291	\$ - 0.00000000
	<b>TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	\$ 1,193,702 36.26399733	\$ 16,826 0.51848811	\$ 13,499 0.42071845	\$ 40,440 0.07267609	\$ 95,910 0.57454448	\$ 3,683 0.00062458	\$ 136,089 0.02307772	\$ 19,346 0.00328059	\$ 41,147 0.00329281	\$ - 0.00000000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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	\$ 146,138	\$ 0	\$ 146,138	(Sch 3)
005	.20-.39	Fringe Benefits	6200	31,906	(712)	31,194	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	493,130	0	493,130	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 671,174	\$ (712)	\$ 670,462	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 265,436	\$ 0	\$ 265,436	(Sch 3)
010	.20-.39	Fringe Benefits	6300	59,676	(1,293)	58,383	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	109,704	0	109,704	(Sch 4)
010		Housekeeping - Total	6300	\$ 434,816	\$ (1,293)	\$ 433,523	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130		0	0	(Sch 5)
025		Depreciation: Equipment	7140	180,702	0	180,702	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	935,052	0	935,052	(Sch 5)
040		Property Taxes	7300	77,948	0	77,948	(Sch 5)
045		Property Insurance	7400	10,342	0	10,342	(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>		\$ 2,310,034	\$ (2,005)	\$ 2,308,029	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 57,832	\$ 0	\$ 57,832	(Sch 3)
060	.20-.39	Fringe Benefits	6400	16,455	(282)	16,173	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	13,477	0	13,477	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 87,764	\$ (282)	\$ 87,482	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 490,856	\$ 0	\$ 490,856	(Sch 3)
065	.20-.39	Fringe Benefits	6500	101,956	(2,391)	99,565	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	631,419	0	631,419	(Sch 4)
065		Dietary - Total	6500	\$ 1,224,231	\$ (2,391)	\$ 1,221,840	
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		0	0	(Sch 4)
075		Patient Supplies - Total	8100	\$ 0	\$ 0	\$ 0	
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	29,436	0	29,436	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 29,436	\$ 0	\$ 29,436	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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	\$ 310,663	\$ 0	\$ 310,663	(Sch 2)
080	.20-.39	Fringe Benefits	8200	59,229	(1,513)	57,716	(Sch 2)
080	.79	Agency Staff	8200	305,473	0	305,473	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	18,928	0	18,928	(Sch 4)
080		Physical Therapy - Total	8200	\$ 694,293	\$ (1,513)	\$ 692,780	
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	\$ 310,663	\$ 0	\$ 310,663	(Sch 2)
082	.20-.39	Fringe Benefits	8250	59,229	(1,513)	57,716	(Sch 2)
082	.79	Agency Staff	8250	305,473	0	305,473	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	3,803	0	3,803	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 679,168	\$ (1,513)	\$ 677,655	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 69,036	\$ 0	\$ 69,036	(Sch 2)
083	.20-.39	Fringe Benefits	8280	13,162	(336)	12,826	(Sch 2)
083	.79	Agency Staff	8280	67,883	0	67,883	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	845	0	845	(Sch 4)
083		Speech Pathology - Total	8280	\$ 150,926	\$ (336)	\$ 150,590	
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	634,106	0	634,106	(Sch 4)
085		Pharmacy - Total	8300	\$ 634,106	\$ 0	\$ 634,106	
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	71,206	0	71,206	(Sch 4)
090		Laboratory - Total	8400	\$ 71,206	\$ 0	\$ 71,206	
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	157,655	0	157,655	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 157,655	\$ 0	\$ 157,655	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
101	.79	Agency Staff	8100-8900		0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
102	.79	Agency Staff	8100-8900		0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 2,416,790	\$ (3,362)	\$ 2,413,428	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 4,353,720	\$ 0	\$ 4,353,720	(Sch 2)
105	.20-.39	Fringe Benefits	6110	927,183	(21,204)	905,979	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	637,302	0	637,302	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 5,918,205	\$ (21,204)	\$ 5,897,001	
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:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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	12,667	0	12,667	(Sch 4)
140		Beauty and Barber - Total	8900	\$ 12,667	\$ 0	\$ 12,667	
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>		\$ 5,930,872	\$ (21,204)	\$ 5,909,668	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	\$ 124,904	\$ 0	\$ 124,904	(Sch 2)
155	.20-.39	Fringe Benefits	6600	23,022	(608)	22,414	(Sch 2)
155	.49	Agency Staff	6600	0	0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	4,360	0	4,360	(Sch 4)
155		Social Services - Total	6600	\$ 152,286	\$ (608)	\$ 151,678	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY HOUSE CARE CENTER

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

Provider NPI:  
1710058441

OSHPD Facility Number:  
206430798

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	\$ 259,743	\$ 0	\$ 259,743	(Sch 2)
160	.20-.39	Fringe Benefits	6700	53,756	(1,265)	52,491	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	70,411	0	70,411	(Sch 4)
160		Activities - Total	6700	\$ 383,910	\$ (1,265)	\$ 382,645	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 823,969	\$ 0	\$ 823,969	(Sch 6)
165	.20-.39	Fringe Benefits	6900	168,643	(4,013)	164,630	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	2,491,492	(1,910,000)	581,492	(Sch 6)
165		Administration - Total	6900	\$ 3,484,104	\$ (1,914,013)	\$ 1,570,091	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 127,990	\$ 0	\$ 127,990	(Sch 3)
166	.20-.39	Fringe Benefits	6900	26,961	(623)	26,338	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 4)
166		Medical Records - Total	6900	\$ 154,951	\$ (623)	\$ 154,328	
167		CDPH Licensing Fees	6900	\$ 46,241	\$ 0	\$ 46,241	(Sch 6)
168		Professional Liability Insurance	6900	\$ 224,349	\$ (17,479)	\$ 206,870	(Sch 6)
169		Quality Assurance Fees	6900	\$ 767,228	\$ 0	\$ 767,228	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 92,145	\$ 0	\$ 92,145	(Sch 3)
170	.20-.39	Fringe Benefits	6800	19,030	(449)	18,581	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	0	0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 111,175	\$ (449)	\$ 110,726	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 5,324,244	\$ (1,934,437)	\$ 3,389,807	
200		<b>Total</b>		\$ 17,293,935	\$ (1,963,681)	\$ 15,330,254	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 199,189	
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\* For informational purposes only, this amount is included in various cost centers above.

Provider Name:  
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Provider NPI:  
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JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
005	1	Plant Operations and Maintenance - Salaries and Wages	0							
005	2	Plant Operations and Maintenance - Fringe Benefits	(712)	(712)						
005	3	Plant Operations and Maintenance - Agency Staff	0							
005	4	Plant Operations and Maintenance - Other - Nonlabor	0							
010	1	Housekeeping - Salaries and Wages	0							
010	2	Housekeeping - Fringe Benefits	(1,293)	(1,293)						
010	3	Housekeeping - Agency Staff	0							
010	4	Housekeeping - Other - Nonlabor	0							
015	4	Depreciation: Buildings and Improvements	0							
020	4	Depreciation: Leasehold Improvements	0							
025	4	Depreciation: Equipment	0							
030	4	Depreciation and Amortization - Other	0							
035	4	Leases and Rentals	0							
040	4	Property Taxes	0							
045	4	Property Insurance	0							
050	4	Interest - Property, Plant, and Equipment	0							
055	4	Interest - Other	0							
060	1	Laundry and Linen - Salaries and Wages	0							
060	2	Laundry and Linen - Fringe Benefits	(282)	(282)						
060	3	Laundry and Linen - Agency Staff	0							
060	4	Laundry and Linen - Other - Nonlabor	0							
065	1	Dietary - Salaries and Wages	0							
065	2	Dietary - Fringe Benefits	(2,391)	(2,391)						
065	3	Dietary - Agency Staff	0							
065	4	Dietary - Other - Nonlabor	0							
070	4	Provision for Bad Debts	0							
075	1	Patient Supplies - Salaries and Wages	0							
075	2	Patient Supplies - Fringe Benefits	0							
075	3	Patient Supplies - Agency Staff	0							
075	4	Patient Supplies - Other - Nonlabor	0							
077	1	Specialized Support Surfaces - Salaries and Wages	0							
077	2	Specialized Support Surfaces - Fringe Benefits	0							
077	3	Specialized Support Surfaces - Agency Staff	0							
077	4	Specialized Support Surfaces - Other - Nonlabor	0							
080	1	Physical Therapy - Salaries and Wages	0							
080	2	Physical Therapy - Fringe Benefits	(1,513)	(1,513)						
080	3	Physical Therapy - Agency Staff	0							
080	4	Physical Therapy - Other - Nonlabor	0							
081	1	Respiratory Therapy - Salaries and Wages	0							
081	2	Respiratory Therapy - Fringe Benefits	0							
081	3	Respiratory Therapy - Agency Staff	0							
081	4	Respiratory Therapy - Other - Nonlabor	0							
082	1	Occupational Therapy - Salaries and Wages	0							
082	2	Occupational Therapy - Fringe Benefits	(1,513)	(1,513)						
082	3	Occupational Therapy - Agency Staff	0							
082	4	Occupational Therapy - Other - Nonlabor	0							
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	(336)	(336)						
083	3	Speech Pathology - Agency Staff	0							

Provider Name:  
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Fiscal Period:  
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Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
083	4	Speech Pathology - Other - Nonlabor	0							
085	1	Pharmacy - Salaries and Wages	0							
085	2	Pharmacy - Fringe Benefits	0							
085	3	Pharmacy - Agency Staff	0							
085	4	Pharmacy - Other - Nonlabor	0							
090	1	Laboratory - Salaries and Wages	0							
090	2	Laboratory - Fringe Benefits	0							
090	3	Laboratory - Agency Staff	0							
090	4	Laboratory - Other - Nonlabor	0							
095	1	Home Health Services - Salaries and Wages	0							
095	2	Home Health Services - Fringe Benefits	0							
095	3	Home Health Services - Agency Staff	0							
095	4	Home Health Services - Other - Nonlabor	0							
100	1	Other Ancillary Services - Salaries and Wages	0							
100	2	Other Ancillary Services - Fringe Benefits	0							
100	3	Other Ancillary Services - Agency Staff	0							
100	4	Other Ancillary Services - Other - Nonlabor	0							
101	1	Subacute Care Ancillary Services - Salaries and Wages	0							
101	2	Subacute Care Ancillary Services - Fringe Benefits	0							
101	3	Subacute Care Ancillary Services - Agency Staff	0							
101	4	Subacute Care Ancillary Services - Other - Nonlabor	0							
102	1	Subacute Pediatric Ancillary Services - Salaries and Wages	0							
102	2	Subacute Pediatric Ancillary Services - Fringe Benefits	0							
102	3	Subacute Pediatric Ancillary Services - Agency Staff	0							
102	4	Subacute Pediatric Ancillary Services - Other - Nonlabor	0							
105	1	Skilled Nursing Care - Salaries and Wages	0							
105	2	Skilled Nursing Care - Fringe Benefits	(21,204)	(21,204)						
105	3	Skilled Nursing Care - Agency Staff	0							
105	4	Skilled Nursing Care - Other - Nonlabor	0							
110	1	Intermediate Care - Salaries and Wages	0							
110	2	Intermediate Care - Fringe Benefits	0							
110	3	Intermediate Care - Agency Staff	0							
110	4	Intermediate Care - Other - Nonlabor	0							
115	1	Mentally Disordered Care - Salaries and Wages	0							
115	2	Mentally Disordered Care - Fringe Benefits	0							
115	3	Mentally Disordered Care - Agency Staff	0							
115	4	Mentally Disordered Care - Other - Nonlabor	0							
120	1	Developmentally Disabled Care - Salaries and Wages	0							
120	2	Developmentally Disabled Care - Fringe Benefits	0							
120	3	Developmentally Disabled Care - Agency Staff	0							
120	4	Developmentally Disabled Care - Other - Nonlabor	0							
125	1	Subacute Care - Salaries and Wages	0							
125	2	Subacute Care - Fringe Benefits	0							
125	3	Subacute Care - Agency Staff	0							
125	4	Subacute Care - Other - Nonlabor	0							
126	1	Subacute Care - Pediatric - Salaries and Wages	0							
126	2	Subacute Care - Pediatric - Fringe Benefits	0							
126	3	Subacute Care - Pediatric - Agency Staff	0							
126	4	Subacute Care - Pediatric - Other - Nonlabor	0							

Provider Name:  
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JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
128	1	Transitional Inpatient Care - Salaries and Wages	0							
128	2	Transitional Inpatient Care - Fringe Benefits	0							
128	3	Transitional Inpatient Care - Agency Staff	0							
128	4	Transitional Inpatient Care - Other - Nonlabor	0							
130	1	Hospice Inpatient Care - Salaries and Wages	0							
130	2	Hospice Inpatient Care - Fringe Benefits	0							
130	3	Hospice Inpatient Care - Agency Staff	0							
130	4	Hospice Inpatient Care - Other - Nonlabor	0							
135	1	Other Routine Services - Salaries and Wages	0							
135	2	Other Routine Services - Fringe Benefits	0							
135	3	Other Routine Services - Agency Staff	0							
135	4	Other Routine Services - Other - Nonlabor	0							
139	1	Residential Care - Salaries and Wages	0							
139	2	Residential Care - Fringe Benefits	0							
139	3	Residential Care - Agency Staff	0							
139	4	Residential Care - Other - Nonlabor	0							
140	1	Beauty and Barber - Salaries and Wages	0							
140	2	Beauty and Barber - Fringe Benefits	0							
140	3	Beauty and Barber - Agency Staff	0							
140	4	Beauty and Barber - Other - Nonlabor	0							
145	1	Other Nonreimbursable - Salaries and Wages	0							
145	2	Other Nonreimbursable - Fringe Benefits	0							
145	3	Other Nonreimbursable - Agency Staff	0							
145	4	Other Nonreimbursable - Other - Nonlabor	0							
155	1	Social Services - Salaries and Wages	0							
155	2	Social Services - Fringe Benefits	(608)	(608)						
155	3	Social Services - Agency Staff	0							
155	4	Social Services - Other - Nonlabor	0							
160	1	Activities - Salaries and Wages	0							
160	2	Activities - Fringe Benefits	(1,265)	(1,265)						
160	3	Activities - Agency Staff	0							
160	4	Activities - Other - Nonlabor	0							
165	1	Administration - Salaries and Wages	0							
165	2	Administration - Fringe Benefits	(4,013)	(4,013)						
165	3	Administration - Agency Staff	0							
165	4	Administration - Other - Nonlabor	(1,910,000)			(1,910,000)				
166	1	Medical Records - Salaries and Wages	0							
166	2	Medical Records - Fringe Benefits	(623)	(623)						
166	3	Medical Records - Agency Staff	0							
166	4	Medical Records - Other - Nonlabor	0							
167	4	CDPH Licensing Fees	0							
168	4	Professional Liability Insurance	(17,479)		(17,479)					
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	(449)	(449)						
170	3	Inservice Education - Nursing - Agency Staff	0							
170	4	Inservice Education - Nursing - Other - Nonlabor	0							
174	1	Caregiver Training - Salaries and Wages	0							
174	2	Caregiver Training - Fringe Benefits	0							

Provider Name:  
VALLEY HOUSE CARE CENTER

Provider NPI:  
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OSHPD Facility Number:  
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Fiscal Period:  
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff	0							
174	4	Caregiver Training - Other - Nonlabor	0							
200			(\$1,963,681)	(36,202)	(17,479)	(1,910,000)	0	0	0	0
Total			(To Sch 8)							

Provider Name							Fiscal Period			Provider NPI		Adjustments
VALLEY HOUSE CARE CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1710058441		6
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.						
<b><u>MEMORANDUM ADJUSTMENT</u></b>												
1	N/A			8	210	N/A	Group Health Insurance To include Group Health Insurance in the audit report for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$199,189	\$199,189		

Provider Name							Fiscal Period	Provider NPI		Adjustments
VALLEY HOUSE CARE CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1710058441		6
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.				
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>										
2	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$31,906	(\$712)	\$31,194
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits	59,676	(1,293)	58,383
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits	16,455	(282)	16,173
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	101,956	(2,391)	99,565
	10.5	080	2	8A-1	080	2	Physical Therapy - Fringe Benefits	59,229	(1,513)	57,716
	10.5	082	2	8A-1	082	2	Occupational Therapy - Fringe Benefits	59,229	(1,513)	57,716
	10.5	083	2	8A-1	083	2	Speech Pathology - Fringe Benefits	13,162	(336)	12,826
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	927,183	(21,204)	905,979
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	23,022	(608)	22,414
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	53,756	(1,265)	52,491
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	168,643	(4,013)	164,630
	10.5	166	2	8A-1	166	2	Medical Records - Fringe Benefits	26,961	(623)	26,338
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	19,030	(449)	18,581
							To adjust workers' compensation to the amount allowable based upon audited payroll salary and experience modifications. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
3	10.5	168	4	8A-1	168	4	Administration - Professional Liability Insurance	\$224,349	(\$17,479)	\$206,870
							To reconcile the reported expenses to agree with the provider's record. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
4	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$2,491,492	(\$1,910,000)	\$581,492
							To eliminate management fee expense due to insufficient documentation since no home office cost report was filed to document actual expenses incurred by a related organization management company. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 1000, 1004.1, 1004.3, 1005, 2300, and 2304			

Provider Name							Fiscal Period			Provider NPI		Adjustments
VALLEY HOUSE CARE CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1710058441		6
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.						
<b><u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u></b>												
5	4.1	5	2	1	15	N/A	Total Medi-Cal 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 September 30, 2012 Report Date: October 12, 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	35,614	(3,851)	31,763		
6	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	3,804	3,804		