

**REPORT
ON THE
RATE SETTING AUDIT**

**VILLAGE SQUARE NURSING CENTER
SAN MARCOS, CALIFORNIA
NPI NUMBER: 1518980697**

**FISCAL PERIOD ENDED
JUNE 30, 2011**

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

**Section Chief: Michael Harrold
Auditor: Jeanene Lopez**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 17, 2013

Donna Dornbrook
Corporate Director of Reimbursement
Kindred Healthcare, Inc.
680 South Fourth Street
Louisville, Kentucky 40202

VILLAGE SQUARE NURSING CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1518980697
FISCAL PERIOD ENDED JUNE 30, 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 \$2,980, which resulted from Medi-Cal overpayments
3. Allocation of Home Office Cost

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.

Donna Dornbrook
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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:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility No.:
206374060

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SKILLED NURSING CARE				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 3,761,379	\$ 103.30
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 854,636	\$ 23.47
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 749,580	\$ 20.59
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 1,040,399	\$ 28.57
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 60,767	\$ 1.67
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 25,125	\$ 0.69
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 283,131	\$ 7.78
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 361,285	\$ 9.92
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 1,112,357	\$ 30.55
11	Cost of Routine Service/Audited Total Costs	\$ 8,273,507.00	\$ 8,248,660	\$ 226.54
12	Total Patient Days (Adj 7)	36,410	36,412	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 227.23	\$ 226.54	
14	Overpayments (Adj 9,10)	\$ 0	\$ (2,980)	
15	Medi-Cal Days (Adj 8)	18,987	18,875	
16	Medi-Cal Managed Care Days (Adj)		0	
INTERMEDIATE CARE				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
18	Total Patient Days (Adj)		0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj)	\$	\$ 0	
MENTALLY DISORDERED CARE				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
22	Total Patient Days (Adj)		0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj)	\$	\$ 0	
DEVELOPMENTALLY DISABLED CARE				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
26	Total Patient Days (Adj)		0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj)	\$	\$ 0	
SUBACUTE CARE				
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility No.:
206374060

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

**ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR**

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility No.:
206374060

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
	GENERAL SERVICES				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 104,515	\$ 104,515		
160	Activities	63,469		\$ 63,469	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	ANCILLARY SERVICES				
075	Patient Supplies	11,269	0	0	11,269
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	ROUTINE SERVICES				
105	Skilled Nursing Care	3,593,395	104,515	63,469	3,761,379
110	Intermediate Care	0	0	0	0
115	Mentally Disordered Care	0	0	0	0
120	Developmentally Disabled Care	0	0	0	0
125	Subacute Care	0	0	0	0
126	Subacute Care - Pediatric	0	0	0	0
128	Transitional Inpatient Care	0	0	0	0
130	Hospice Inpatient Care	0	0	0	0
135	Other Routine Services	0	0	0	0
	NONREIMBURSABLE				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	TOTAL	\$ 3,772,648	\$ 104,515	\$ 63,469	\$ 3,772,648

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
VILLAGE SQUARE NURSING CENTER

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 80,930	\$ 80,930										
010	Housekeeping	155,749	829	\$ 156,578									
060	Laundry and Linen	100,640	2,025	3,959	\$ 106,625								
065	Dietary	395,840	11,607	22,689	0	\$ 430,136							
155	Social Services	N/A	771	1,507	0	0	\$ 2,278						
160	Activities	N/A	796	1,557	0	0	0	\$ 2,353					
165	Administration	N/A	4,745	9,276	0	0	0	0		\$ 14,022	\$ 14,022		
166	Medical Records	67,891	807	1,578	0	0	0	0		70,276		\$ 70,276	
170	Inservice Education - Nursing	84,696	0	0	0	0	0	0	\$ 84,696				
ANCILLARY SERVICES													
075	Patient Supplies		225	441	0	0	0	0	0	666	87	437	\$ 1,190
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	3	16	19
080	Physical Therapy		1,731	3,383	0	0	0	0	0	5,114	949	4,757	10,821
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		1,258	2,459	0	0	0	0	0	3,718	643	3,224	7,585
083	Speech Pathology		262	512	0	0	0	0	0	774	242	1,212	2,228
085	Pharmacy		0	0	0	0	0	0	0	0	887	4,445	5,331
090	Laboratory		0	0	0	0	0	0	0	0	194	971	1,165
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	209	1,049	1,258
101	Subacute Care Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care		55,439	108,371	106,625	430,136	2,278	2,353	84,696	789,898	10,768	53,970	854,636 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		433	846	0	0	0	0	0	1,279	39	195	1,512
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 885,746	\$ 80,930	\$ 156,578	\$ 106,625	\$ 430,136	\$ 2,278	\$ 2,353	\$ 84,696	\$ 801,448	\$ 14,022	\$ 70,276	\$ 885,746

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
VILLAGE SQUARE NURSING CENTER

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 315,709	\$ 315,709										
010	Housekeeping	29,914	3,234	\$ 33,148									
060	Laundry and Linen	25,616	7,901	838	\$ 34,355								
065	Dietary	239,242	45,280	4,803	0	\$ 289,325							
155	Social Services	770	3,007	319	0	0	\$ 4,096						
160	Activities	5,667	3,107	330	0	0	0	\$ 9,103					
165	Administration	N/A	18,512	1,964	0	0	0	0		\$ 20,476	\$ 20,476		
166	Medical Records	12,008	3,149	334	0	0	0	0		15,491		\$ 15,491	
170	Inservice Education - Nursing	3,623	0	0	0	0	0	0	\$ 3,623				
ANCILLARY SERVICES													
075	Patient Supplies	34,849	879	93	0	0	0	0	0	35,822	127	96	\$ 36,045
077	Specialized Support Surfaces	1,819	0	0	0	0	0	0	0	1,819	5	3	1,827
080	Physical Therapy	518,341	6,752	716	0	0	0	0	0	525,810	1,386	1,049	528,244
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	349,424	4,908	521	0	0	0	0	0	354,853	939	711	356,503
083	Speech Pathology	136,043	1,021	108	0	0	0	0	0	137,173	353	267	137,793
085	Pharmacy	519,798	0	0	0	0	0	0	0	519,798	1,295	980	522,073
090	Laboratory	113,601	0	0	0	0	0	0	0	113,601	283	214	114,098
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	122,697	0	0	0	0	0	0	0	122,697	306	231	123,234
101	Subacute Care Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care	142,243	216,270	22,943	34,355	289,325	4,096	9,103	3,623	721,958	15,725	11,897	749,580 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	13,264	1,688	179	0	0	0	0	0	15,131	57	43	15,231
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 2,584,628	\$ 315,709	\$ 33,148	\$ 34,355	\$ 289,325	\$ 4,096	\$ 9,103	\$ 3,623	\$ 2,548,661	\$ 20,476	\$ 15,491	\$ 2,584,628

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 1,112,591	94%							
	Property Tax (line 40)	64,984	6%	\$ 1,177,575						
005	Plant Operations and Maintenance			60,482	\$ 60,482					
010	Housekeeping			11,444	620	\$ 12,064				
060	Laundry and Linen			27,957	1,514	305	\$ 29,776			
065	Dietary			160,216	8,675	1,748	0	\$ 170,638		
155	Social Services			10,641	576	116	0	0	\$ 11,333	
160	Activities			10,992	595	120	0	0	0	\$ 11,707
165	Administration			65,502	3,546	715	0	0	0	0
166	Medical Records			11,143	603	122	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			3,112	168	34	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			23,892	1,294	261	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			17,367	940	189	0	0	0	0
083	Speech Pathology			3,614	196	39	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
ROUTINE SERVICES										
105	Skilled Nursing Care			765,241	41,432	8,349	29,776	170,638	11,333	11,707
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			5,973	323	65	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 1,177,575	100%	\$ 1,177,575	\$ 60,482	\$ 12,064	\$ 29,776	\$ 170,638	\$ 11,333	\$ 11,707

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 94% Of Total	Property Tax 6% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 1,112,591	94%							
	Property Tax (line 40)	64,984	6%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 69,763	\$ 69,763				
166	Medical Records				11,868		\$ 11,868			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	3,314	434	74	\$ 3,822	\$ 3,611	\$ 211
077	Specialized Support Surfaces			0	0	15	3	18	17	1
080	Physical Therapy			0	25,446	4,723	803	30,972	29,263	1,709
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	18,497	3,201	544	22,242	21,014	1,227
083	Speech Pathology			0	3,849	1,204	205	5,257	4,967	290
085	Pharmacy			0	0	4,412	751	5,163	4,878	285
090	Laboratory			0	0	964	164	1,128	1,066	62
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	1,041	177	1,219	1,151	67
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105	Skilled Nursing Care			0	1,038,477	53,576	9,114	1,101,167	1,040,399	60,767
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	NONREIMBURSABLE									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	6,362	193	33	6,588	6,224	364
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 1,177,575	100%	\$ -	\$ 1,095,944	\$ 69,763	\$ 11,868	\$ 1,177,575	\$ 1,112,591	\$ 64,984

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
VILLAGE SQUARE NURSING CENTER

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 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. 62% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 16% of Total	Quality Assur. Fees 20% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 15,511												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,432,928												
	Total Costs Allocable as Administration	1,448,439	62%											
167	CDPH Licensing Fees	32,716	1%											
168	Professional Liability Insurance	368,675	16%											
169	Quality Assurance Fees	470,442	20%											
174	Caregiver Training	0	0%											
	Total	2,320,272	100%						\$ 2,320,272					
ANCILLARY SERVICES														
075	Patient Supplies			\$ 11,269	\$ 666	\$ 35,822	\$ 3,314	\$ 51,071	14,418	\$ 9,001	\$ 203	\$ 2,291	\$ 2,923	\$ -
077	Specialized Support Surfaces			0	0	1,819	0	1,819	514	321	7	82	104	0
080	Physical Therapy			0	5,114	525,810	25,446	556,370	157,072	98,053	2,215	24,958	31,847	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	3,718	354,853	18,497	377,067	106,452	66,453	1,501	16,914	21,583	0
083	Speech Pathology			0	774	137,173	3,849	141,795	40,031	24,990	564	6,361	8,116	0
085	Pharmacy			0	0	519,798	0	519,798	146,747	91,608	2,069	23,317	29,753	0
090	Laboratory			0	0	113,601	0	113,601	32,071	20,021	452	5,096	6,503	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	122,697	0	122,697	34,639	21,624	488	5,504	7,023	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES														
105	Skilled Nursing Care			3,761,379	789,898	721,958	1,038,477	6,311,712	1,781,898	1,112,357	25,125	283,131	361,285	0*
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0*
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0*
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0*
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0*
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0*
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0*
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,279	15,131	6,362	22,771	6,429	4,013	91	1,021	1,303	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 2,320,272		\$ 3,772,648	\$ 801,448	\$ 2,548,661	\$ 1,095,944	\$ 8,218,702	\$ 2,320,272					
	Total Administrative Costs							\$ 2,320,272		\$ 1,448,439	\$ 32,716	\$ 368,675	\$ 470,442	\$ -
	Unit Cost Multiplier							0.28231612						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 84,298	\$ 35,967	\$ 81,631	\$ 201,895							
	TOTAL FACILITY COSTS							\$ 10,740,869						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
VILLAGE SQUARE NURSING CENTER

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj)	Plant Ops (SQ FT) 5 (Adj 1)	Hskpng (SQ FT) 10 (Adj 1)	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)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	1,205									
010	Housekeeping	228	228								
060	Laundry and Linen	557	557	557							
065	Dietary	3,192	3,192	3,192							
155	Social Services	212	212	212							
160	Activities	219	219	219							
165	Administration	1,305	1,305	1,305							
166	Medical Records	222	222	222							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	62	62	62						51,071	51,071
077	Specialized Support Surfaces									1,819	1,819
080	Physical Therapy	476	476	476						556,370	556,370
081	Respiratory Therapy									0	0
082	Occupational Therapy	346	346	346						377,067	377,067
083	Speech Pathology	72	72	72						141,795	141,795
085	Pharmacy									519,798	519,798
090	Laboratory									113,601	113,601
095	Home Health Services									0	0
100	Other Ancillary Services									122,697	122,697
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	15,246	15,246	15,246	72,322	108,483	3,735,638	3,735,638	3,735,638	6,311,712	6,311,712
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	119	119	119						22,771	22,771
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	23,461	22,256	22,028	72,322	108,483	3,735,638	3,735,638	3,735,638	8,218,702	8,218,702
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 104,515 0.027977818	\$ 63,469 0.016990137			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 80,930 3.63632279	\$ 156,578 7.10813881	\$ 106,625 1.47430471	\$ 430,136 3.96501131	\$ 2,278 0.00060976	\$ 2,353 0.00062989	\$ 84,696 0.02267243	\$ 14,022 0.00170605	\$ 70,276 0.00855078
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 315,709 14.18534328	\$ 33,148 1.50482378	\$ 34,355 0.47503420	\$ 289,325 2.66700786	\$ 4,096 0.00109655	\$ 9,103 0.00243684	\$ 3,623 0.00096985	\$ 20,476 0.00249135	\$ 15,491 0.00188487
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 1,177,575 50.19287328	\$ 60,482 2.71757784	\$ 12,064 0.54764767	\$ 29,776 0.41171650	\$ 170,638 1.57294923	\$ 11,333 0.00303378	\$ 11,707 0.00313396	\$ - 0.00000000	\$ 69,763 0.00848830	\$ 11,868 0.00144399

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

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	\$ 58,033	\$ 0	\$ 58,033	(Sch 3)
005	.20-.39	Fringe Benefits	6200	23,059	(162)	22,897	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	315,709	0	315,709	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 396,801	\$ (162)	\$ 396,639	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300		0	0	(Sch 3)
010	.79	Agency Staff	6300	155,749	0	155,749	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	29,914	0	29,914	(Sch 4)
010		Housekeeping - Total	6300	\$ 185,663	\$ 0	\$ 185,663	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 309	\$ 0	\$ 309	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	59,753	0	59,753	(Sch 5)
025		Depreciation: Equipment	7140	26,908	0	26,908	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	1,025,621	0	1,025,621	(Sch 5)
040		Property Taxes	7300	64,984	0	64,984	(Sch 5)
045		Property Insurance	7400	15,511	0	15,511	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		Subtotal 005 - 055		\$ 1,775,550	\$ (162)	\$ 1,775,388	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400		0	0	(Sch 3)
060	.79	Agency Staff	6400	100,640	0	100,640	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	25,616	0	25,616	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 126,256	\$ 0	\$ 126,256	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 300,144	\$ 0	\$ 300,144	(Sch 3)
065	.20-.39	Fringe Benefits	6500	96,532	(836)	95,696	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	239,242	0	239,242	(Sch 4)
065		Dietary - Total	6500	\$ 635,918	\$ (836)	\$ 635,082	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 8,523	\$ 0	\$ 8,523	(Sch 2)
075	.20-.39	Fringe Benefits	8100	2,770	(24)	2,746	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	34,849	0	34,849	(Sch 4)
075		Patient Supplies - Total	8100	\$ 46,142	\$ (24)	\$ 46,118	
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	1,819	0	1,819	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 1,819	\$ 0	\$ 1,819	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200		0	0	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	518,341	0	518,341	(Sch 4)
080		Physical Therapy - Total	8200	\$ 518,341	\$ 0	\$ 518,341	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250		0	0	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	349,424	0	349,424	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 349,424	\$ 0	\$ 349,424	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280		0	0	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	136,043	0	136,043	(Sch 4)
083		Speech Pathology - Total	8280	\$ 136,043	\$ 0	\$ 136,043	
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	519,798	0	519,798	(Sch 4)
085		Pharmacy - Total	8300	\$ 519,798	\$ 0	\$ 519,798	
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	113,601	0	113,601	(Sch 4)
090		Laboratory - Total	8400	\$ 113,601	\$ 0	\$ 113,601	
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	122,697	0	122,697	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 122,697	\$ 0	\$ 122,697	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

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		\$ 1,807,865	\$ (24)	\$ 1,807,841	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,773,811	\$ (37,115)	\$ 2,736,696	(Sch 2)
105	.20-.39	Fringe Benefits	6110	876,147	(19,448)	856,699	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	142,243	0	142,243	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 3,792,201	\$ (56,563)	\$ 3,735,638	
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:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		Other Nonreimbursable				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		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	13,264	0	13,264 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 13,264	\$ 0	\$ 13,264
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		Subtotal 105 - 145		\$ 3,805,465	\$ (56,563)	\$ 3,748,902
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 81,208	\$ 0	\$ 81,208 (Sch 2)
155	.20-.39	Fringe Benefits	6600	23,533	(226)	23,307 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	770	0	770 (Sch 4)
155		Social Services - Total	6600	\$ 105,511	\$ (226)	\$ 105,285

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VILLAGE SQUARE NURSING CENTER

Fiscal Period:
JULY 1, 2010 THROUGH JUNE 30, 2011

Provider NPI:
1518980697

OSHPD Facility Number:
206374060

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	\$ 48,952	\$ 0	\$ 48,952	(Sch 2)
160	.20-.39	Fringe Benefits	6700	14,653	(136)	14,517	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	5,667	0	5,667	(Sch 4)
160		Activities - Total	6700	\$ 69,272	\$ (136)	\$ 69,136	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 463,934	\$ 37,115	\$ 501,049	(Sch 6)
165	.20-.39	Fringe Benefits	6900	96,488	21,012	117,500	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	782,619	31,760	814,379	(Sch 6)
165		Administration - Total	6900	\$ 1,343,041	\$ 89,887	\$ 1,432,928	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 54,414	\$ 0	\$ 54,414	(Sch 3)
166	.20-.39	Fringe Benefits	6900	13,477	0	13,477	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	12,893	(885)	12,008	(Sch 4)
166		Medical Records - Total	6900	\$ 80,784	\$ (885)	\$ 79,899	
167		CDPH Licensing Fees	6900	\$ 32,716	\$ 0	\$ 32,716	(Sch 6)
168		Professional Liability Insurance	6900	\$ 368,675	\$ 0	\$ 368,675	(Sch 6)
169		Quality Assurance Fees	6900	\$ 470,442	\$ 0	\$ 470,442	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 64,450	\$ 0	\$ 64,450	(Sch 3)
170	.20-.39	Fringe Benefits	6800	20,426	(180)	20,246	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	3,623	0	3,623	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 88,499	\$ (180)	\$ 88,319	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		Subtotal 155 - 174		\$ 2,558,940	\$ 88,460	\$ 2,647,400	
200		Total		\$ 10,709,994	\$ 30,875	\$ 10,740,869	

210	0.24	Total Facility Group Health Insurance * (Adj 2)	6900			\$ 225,835	
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* For informational purposes only, this amount is included in various cost centers above.

Provider Name							Fiscal Period		Provider NPI		Adjustments
VILLAGE SQUARE NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1518980697		10
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					
MEMORANDUM ADJUSTMENTS											
1	10.7	005	2,3	7	005	N/A	Plant Operations and Maintenance (Square Feet)	1,205	(1,205)	0	
	10.7	010	3	7	010	N/A	Housekeeping	228	(228)	0	
	10.7	175	2	7	N/A	N/A	Total Statistic - Plant Operation:	23,461	(1,205)	22,256	
	10.7	175	3	7	N/A	N/A	Total Statistic - Housekeeping	23,461	(1,433)	22,028	
							To adjust reported square footage statistics to agree with the audit report format in order to properly allocate indirect costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
2	N/A			8	210	N/A	Total Facility Group Health Insurance	\$0	\$225,835	\$225,835	
							To identify health insurance costs for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period	Provider NPI		Adjustments
VILLAGE SQUARE NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1518980697		10
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>										
3	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits	\$23,059	(\$162)	\$22,897
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits	96,532	(836)	95,696
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits	2,770	(24)	2,746
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	876,147	(7,724)	868,423 *
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits	23,533	(226)	23,307
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits	14,653	(136)	14,517
	10.5	170	1	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits	20,426	(180)	20,246
	10.5	165	1	8A-1	165	2	Administration - Fringe Benefits	96,488	9,288	105,776 *
							To reverse the provider's reclassification of other employee benefit expense for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 OSHPD LTC Manual, Chapter 3000, Section 3202.2			
4	10.5	166	4	8A-1	166	4	Medical Records - Other - Nonlabor	\$12,893	(\$885)	\$12,008
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	782,619	885	783,504 *
							To reclassify provider's offset of medical records sales to the appropriate cost center for proper cost determination. 42 CFR 413.5, 413.9, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2328			
5	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$2,773,811	(\$37,115)	\$2,736,696
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	* 868,423	(11,724)	856,699
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	463,934	37,115	501,049
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	* 105,776	11,724	117,500
							To reclassify case manager expense to agree with AB 1629 reporting requirements. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000			

Provider Name							Fiscal Period		Provider NPI		Adjustments
VILLAGE SQUARE NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011		1518980697		10
Report References							Explanation of Audit Adjustments				
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	As Reported	Increase (Decrease)	As Adjusted		
<u>ADJUSTMENT TO REPORTED COSTS</u>											
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust reported home office costs to agree with the as filed Kindred Health Care, Inc. Home Office Cost Reports for fiscal periods ended 12/31/2010 and 12/31/2011. 42 CFR 413.17 CMS Pub. 15-1, Sections 2150.2 and 2304	*	\$783,504	\$30,875	\$814,379

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider NPI		Adjustments
VILLAGE SQUARE NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011	1518980697		10
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u>										
7	11(2)	105	1	1	12	N/A	Total Patient Days To adjust patient days to include bed hold or leave days. 42 CFR 413.24 CMS Pub. 15-1, Sections 2205.4 and 2304 CCR, Title 22, Sections 51535(a) and 51535 (b)	36,410	2	36,412
8	4.1	5.00	2	1	15	N/A	Medi-Cal Patient Days To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: July 1, 2010 through June 30, 2011 Payment Period: July 1, 2010 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	18,987	(112)	18,875

Provider Name							Fiscal Period			Provider NPI		Adjustments
VILLAGE SQUARE NURSING CENTER							JULY 1, 2010 THROUGH JUNE 30, 2011			1518980697		10
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>ADJUSTMENTS TO OTHER MATTERS</u>												
	N/A			1	14	N/A	Medi-Cal Overpayments		\$0			
9							To recover Medi-Cal overpayments for billing day of discharge and subsequent days. 42 CFR 433.139, 413.20 and 413.24 and 431.07 CMS Pub. 15-1, Sections 2205.1 and 2409 CCR, Title 22, Section 51458.1			\$61		
10							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			<u>2,919</u> \$2,980	\$2,980	