

**REPORT  
ON THE  
RATE SETTING AUDIT**

**VALLEY CONVALESCENT CENTER  
EL CENTRO, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1467447102**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Patricia M. Fox  
Audit Supervisor: Woosung Lee  
Auditor: Jing H. Zhang**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

July 3, 2013

Administrator  
Valley Convalescent Center  
1700 South Imperial Avenue  
El Centro, CA 92243

VALLEY CONVALESCENT CENTER  
NATIONAL PROVIDER IDENTIFIER (NPI) 1467447102  
FISCAL PERIOD ENDED DECEMBER 31, 2011

We have reviewed 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.

This report includes the summary of Facility Cost per Patient Day and supporting schedules and audit adjustments that include a summary of the total due the State in the amount of \$11,065, which resulted from Medi-Cal overpayments. The data presented in these schedules represents the reported Medi-Cal program costs for the above fiscal period. Please note that the cost per day in the accompanying schedules may differ from the facility's filed Integrated Disclosure and Medi-Cal Cost Report due to the fact that the schedules used reported statistics on page 10.7 and the reported cost on page 10.5 of the Disclosure Report. These pages are specifically designed for the cost per day calculation under the AB 1629 reimbursement methodology.

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.

Administrator  
Page 2

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

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

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

**United States Postal Service (USPS)**

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

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

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

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

If you have questions regarding this report, you may call the Audits Section—San Diego at (619) 688-3200.

Original Signed by

Patricia M. Fox, Chief  
Audits Section—San Diego  
Financial Audits Branch

Certified

cc: Tiffany Karlin, CEO  
Accurate Business Results, LLC  
4541 East Anaheim Street  
Long Beach, CA 90804

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

Provider Name:  
VALLEY CONVALESCENT CENTER

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

NPI:  
1467447102

OSHPD Facility No.:  
206130785

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	\$ 1,913,603	\$ 55.52
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 367,029	\$ 10.65
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 438,849	\$ 12.73
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 155,005	\$ 4.50
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 38,072	\$ 1.10
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 27,432	\$ 0.80
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 113,786	\$ 3.30
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 351,809	\$ 10.21
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 690,274	\$ 20.03
11	Cost of Routine Service/Audited Total Costs	\$ 4,158,540.00	\$ 4,095,860	\$ 118.82
12	Total Patient Days (Adj )	34,470	34,470	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 120.64	\$ 118.82	
14	Overpayments (Adj 4)	\$ 0	\$ 11,065	
15	Medi-Cal Days (Adj 3)	27,347	27,318	
16	Medi-Cal Managed Care Days (Adj )		0	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
18	Total Patient Days (Adj )	0	0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$ 0	\$ 0	
<b>MENTALLY DISORDERED CARE</b>				
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
22	Total Patient Days (Adj )	0	0	
23	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
24	Overpayments (Adj )	\$ 0	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
26	Total Patient Days (Adj )	0	0	
27	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
28	Overpayments (Adj )	\$ 0	\$ 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 CONVALESCENT CENTER

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

**NPI:**  
1467447102

**OSHPD Facility No.:**  
206130785

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

**ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR**

**Provider Name:**  
VALLEY CONVALESCENT CENTER

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

**NPI:**  
1467447102

**OSHPD Facility No.:**  
206130785

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
	<b>GENERAL SERVICES</b>				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 39,395	\$ 39,395		
160	Activities	30,137		\$ 30,137	
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	357,428	0	0	357,428
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	914	0	0	914
083	Speech Pathology	33,712	0	0	33,712
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	1,844,071	39,395	30,137	1,913,603 *
110	Intermediate Care	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0 *
125	Subacute Care	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0 *
128	Transitional Inpatient Care	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0 *
135	Other Routine Services	0	0	0	0 *
	<b>NONREIMBURSABLE</b>				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 2,305,657</b>	<b>\$ 39,395</b>	<b>\$ 30,137</b>	<b>\$ 2,305,657</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
VALLEY CONVALESCENT CENTER

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 43,449	\$ 43,449										
010	Housekeeping	61,510	830	\$ 62,340									
060	Laundry and Linen	65,519	1,776	2,598	\$ 69,893								
065	Dietary	182,442	4,255	6,224	0	\$ 192,922							
155	Social Services	N/A	2,132	3,118	0	0	\$ 5,250						
160	Activities	N/A	0	0	0	0	0	\$ -					
165	Administration	N/A	1,296	1,895	0	0	0	0		\$ 3,191	\$ 3,191		
166	Medical Records	26,554	0	0	0	0	0	0		26,554		\$ 26,554	
170	Inservice Education - Nursing	0	0	0	0	0	0	0	\$ -				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		830	1,214	0	0	0	0	0	2,044	269	2,239	\$ 4,551
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,035	1,514	0	0	0	0	0	2,550	364	3,025	5,938
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		0	0	0	0	0	0	0	0	1	6	7
083	Speech Pathology		0	0	0	0	0	0	0	0	28	234	262
085	Pharmacy		0	0	0	0	0	0	0	0	119	991	1,111
090	Laboratory		0	0	0	0	0	0	0	0	8	66	74
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	4	37	42
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		31,119	45,519	69,893	192,922	5,250	0	0	344,703	2,395	19,931	367,029 *
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		176	257	0	0	0	0	0	433	3	25	460
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 379,474</b>	<b>\$ 43,449</b>	<b>\$ 62,340</b>	<b>\$ 69,893</b>	<b>\$ 192,922</b>	<b>\$ 5,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 349,729</b>	<b>\$ 3,191</b>	<b>\$ 26,554</b>	<b>\$ 379,474</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
VALLEY CONVALESCENT CENTER

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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	\$ 174,653	\$ 174,653										
010	Housekeeping	15,211	3,336	\$ 18,547									
060	Laundry and Linen	9,717	7,140	773	\$ 17,630								
065	Dietary	154,071	17,105	1,852	0	\$ 173,028							
155	Social Services	2,163	8,570	928	0	0	\$ 11,660						
160	Activities	3,712	0	0	0	0	0	\$ 3,712					
165	Administration	N/A	5,208	564	0	0	0	0		\$ 5,772	\$ 5,772		
166	Medical Records	10,393	0	0	0	0	0	0		10,393		\$ 10,393	
170	Inservice Education - Nursing	123	0	0	0	0	0	0	\$ 123				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	313,031	3,336	361	0	0	0	0	0	316,728	487	876	\$ 318,091
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	66,600	4,161	451	0	0	0	0	0	71,212	658	1,184	73,054
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	0	0	0	0	0	0	0	0	1	2	4
083	Speech Pathology	0	0	0	0	0	0	0	0	0	51	92	142
085	Pharmacy	142,938	0	0	0	0	0	0	0	142,938	216	388	143,542
090	Laboratory	9,478	0	0	0	0	0	0	0	9,478	14	26	9,518
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	5,390	0	0	0	0	0	0	0	5,390	8	15	5,413
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	81,930	125,090	13,542	17,630	173,028	11,660	3,712	123	426,716	4,332	7,801	438,849 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
<b>NONREIMBURSABLE</b>													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	1,480	706	76	0	0	0	0	0	2,263	5	10	2,278
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 990,890</b>	<b>\$ 174,653</b>	<b>\$ 18,547</b>	<b>\$ 17,630</b>	<b>\$ 173,028</b>	<b>\$ 11,660</b>	<b>\$ 3,712</b>	<b>\$ 123</b>	<b>\$ 974,725</b>	<b>\$ 5,772</b>	<b>\$ 10,393</b>	<b>\$ 990,890</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
VALLEY CONVALESCENT CENTER

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

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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)	\$ 164,108	80%							
	Property Tax (line 40)	40,308	20%	\$ 204,416						
005	Plant Operations and Maintenance			2,984	\$ 2,984					
010	Housekeeping			3,847	57	\$ 3,904				
060	Laundry and Linen			8,235	122	163	\$ 8,519			
065	Dietary			19,728	292	390	0	\$ 20,410		
155	Social Services			9,884	146	195	0	0	\$ 10,225	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			6,007	89	119	0	0	0	0
166	Medical Records			0	0	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			3,847	57	76	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			4,800	71	95	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0
083	Speech Pathology			0	0	0	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			144,270	2,137	2,851	8,519	20,410	10,225	0
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			815	12	16	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 204,416</b>	<b>100%</b>	<b>\$ 204,416</b>	<b>\$ 2,984</b>	<b>\$ 3,904</b>	<b>\$ 8,519</b>	<b>\$ 20,410</b>	<b>\$ 10,225</b>	<b>\$ -</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
VALLEY CONVALESCENT CENTER

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

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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 80% Of Total	Property Tax 20% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 164,108	80%							
	Property Tax (line 40)	40,308	20%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 6,214	\$ 6,214				
166	Medical Records				0		\$ -			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	3,980	524	0	\$ 4,504	\$ 3,616	\$ 888
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	4,965	708	0	5,673	4,555	1,119
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	1	0	1	1	0
083	Speech Pathology			0	0	55	0	55	44	11
085	Pharmacy			0	0	232	0	232	186	46
090	Laboratory			0	0	15	0	15	12	3
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	9	0	9	7	2
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	<b>ROUTINE SERVICES</b>									
105	Skilled Nursing Care			0	188,413	4,664	0	193,077	155,005	38,072
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	843	6	0	849	681	167
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 204,416	100%	\$ -	\$ 198,202	\$ 6,214	\$ -	\$ 204,416	\$ 164,108	\$ 40,308

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
VALLEY CONVALESCENT CENTER

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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. 58% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 10% of Total	Quality Assur. Fees 30% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ -												
055	Interest - Other	267,479												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	652,182												
	Total Costs Allocable as Administration	919,661	58%											
167	CDPH Licensing Fees	36,548	2%											
168	Professional Liability Insurance	151,599	10%											
169	Quality Assurance Fees	468,720	30%											
174	Caregiver Training	0	0%											
	Total	1,576,528	100%						\$ 1,576,528					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 2,044	\$ 316,728	\$ 3,980	\$ 322,752	132,912	\$ 77,534	\$ 3,081	\$ 12,781	\$ 39,516	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			357,428	2,550	71,212	4,965	436,155	179,612	104,776	4,164	17,271	53,401	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			914	0	0	0	914	376	220	9	36	112	0
083	Speech Pathology			33,712	0	0	0	33,712	13,883	8,099	322	1,335	4,128	0
085	Pharmacy			0	0	142,938	0	142,938	58,863	34,337	1,365	5,660	17,501	0
090	Laboratory			0	0	9,478	0	9,478	3,903	2,277	90	375	1,160	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	5,390	0	5,390	2,220	1,295	51	213	660	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			1,913,603	344,703	426,716	188,413	2,873,435	1,183,302	690,274	27,432	113,786	351,809	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	433	2,263	843	3,538	1,457	850	34	140	433	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 1,576,528		\$ 2,305,657	\$ 349,729	\$ 974,725	\$ 198,202	\$ 3,828,313	\$ 1,576,528					
	Total Administrative Costs							\$ 1,576,528		\$ 919,661	\$ 36,548	\$ 151,599	\$ 468,720	\$ -
	Unit Cost Multiplier							0.41180753						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 29,745	\$ 16,165	\$ 6,214	\$ 52,124							
	<b>TOTAL FACILITY COSTS</b>							\$ 5,456,965						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
VALLEY CONVALESCENT CENTER

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5 (Adj 2)	Hskpng (SQ FT) 10 (Adj 2)	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	304									
010	Housekeeping	392	392								
060	Laundry and Linen	839	839	839							
065	Dietary	2,010	2,010	2,010							
155	Social Services	1,007	1,007	1,007							
160	Activities										
165	Administration	612	612	612							
166	Medical Records										
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	392	392	392						322,752	322,752
077	Specialized Support Surfaces									0	0
080	Physical Therapy	489	489	489						436,155	436,155
081	Respiratory Therapy									0	0
082	Occupational Therapy									914	914
083	Speech Pathology									33,712	33,712
085	Pharmacy									142,938	142,938
090	Laboratory									9,478	9,478
095	Home Health Services									0	0
100	Other Ancillary Services									5,390	5,390
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	14,699	14,699	14,699	169,475	101,685	1,926,001	1,926,001	1,926,001	2,873,435	2,873,435
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	83	83	83						3,538	3,538
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	20,827	20,523	20,131	169,475	101,685	1,926,001	1,926,001	1,926,001	3,828,313	3,828,313
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 39,395	\$ 30,137			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.020454299	0.015647448			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 43,449	\$ 62,340	\$ 69,893	\$ 192,922	\$ 5,250	\$ -	\$ -	\$ 3,191	\$ 26,554
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		2.11708815	3.09671147	0.41241114	1.89724873	0.00272601	0.00000000	0.00000000	0.00083349	0.00693622
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 174,653	\$ 18,547	\$ 17,630	\$ 173,028	\$ 11,660	\$ 3,712	\$ 123	\$ 5,772	\$ 10,393
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		8.51011061	0.92131356	0.10402694	1.70160951	0.00605423	0.00192731	0.00006386	0.00150772	0.00271477
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 204,416	\$ 2,984	\$ 3,904	\$ 8,519	\$ 20,410	\$ 10,225	\$ -	\$ -	\$ 6,214	\$ -
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	9.81495175	0.14538544	0.19395222	0.05026965	0.20071910	0.00530912	0.00000000	0.00000000	0.00162328	0.00000000

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:

VALLEY CONVALESCENT CENTER

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

NPI:

1467447102

OSHPD Facility Number:

206130785

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	\$ 18,562	\$ 0	\$ 18,562	(Sch 3)
005	.20-.39	Fringe Benefits	6200	4,390	0	4,390	(Sch 3)
005	.79	Agency Staff	6200	20,497	0	20,497	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	174,653	0	174,653	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 218,102	\$ 0	\$ 218,102	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 52,423	\$ 0	\$ 52,423	(Sch 3)
010	.20-.39	Fringe Benefits	6300	9,087	0	9,087	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	15,211	0	15,211	(Sch 4)
010		Housekeeping - Total	6300	\$ 76,721	\$ 0	\$ 76,721	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	151,281	0	151,281	(Sch 5)
025		Depreciation: Equipment	7140	12,827	0	12,827	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200		0	0	(Sch 5)
040		Property Taxes	7300	40,308	0	40,308	(Sch 5)
045		Property Insurance	7400		0	0	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$ 267,479	\$ 0	\$ 267,479	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 766,718	\$ 0	\$ 766,718	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 55,760	\$ 0	\$ 55,760	(Sch 3)
060	.20-.39	Fringe Benefits	6400	9,759	0	9,759	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	9,717	0	9,717	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 75,236	\$ 0	\$ 75,236	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 152,308	\$ 0	\$ 152,308	(Sch 3)
065	.20-.39	Fringe Benefits	6500	30,134	0	30,134	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	154,071	0	154,071	(Sch 4)
065		Dietary - Total	6500	\$ 336,513	\$ 0	\$ 336,513	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 0	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	0	0	0	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	313,031	0	313,031	(Sch 4)
075		Patient Supplies - Total	8100	\$ 313,031	\$ 0	\$ 313,031	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:

VALLEY CONVALESCENT CENTER

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

NPI:

1467447102

OSHPD Facility Number:

206130785

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	\$ 118,154	\$ 0	\$ 118,154	(Sch 2)
080	.20-.39	Fringe Benefits	8200	10,645	0	10,645	(Sch 2)
080	.79	Agency Staff	8200	228,629	0	228,629	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	66,600	0	66,600	(Sch 4)
080		Physical Therapy - Total	8200	\$ 424,028	\$ 0	\$ 424,028	
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	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	914	0	914	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	0	0	0	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 914	\$ 0	\$ 914	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	33,712	0	33,712	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	0	0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 33,712	\$ 0	\$ 33,712	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300	0	0	0	(Sch 2)
085	.79	Agency Staff	8300	0	0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	142,938	0	142,938	(Sch 4)
085		Pharmacy - Total	8300	\$ 142,938	\$ 0	\$ 142,938	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	9,478	0	9,478	(Sch 4)
090		Laboratory - Total	8400	\$ 9,478	\$ 0	\$ 9,478	
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	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	5,390	0	5,390	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 5,390	\$ 0	\$ 5,390	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY CONVALESCENT CENTER

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

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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		\$ 929,491	\$ 0	\$ 929,491	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,497,712	\$ 0	\$ 1,497,712	(Sch 2)
105	.20-.39	Fringe Benefits	6110	326,348	0	326,348	(Sch 2)
105	.49	Agency Staff	6110	20,011	0	20,011	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	81,930	0	81,930	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,926,001	\$ 0	\$ 1,926,001	
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 CONVALESCENT CENTER

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

NPI:  
1467447102

OSHPD Facility Number:  
206130785

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	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900	0	0	0 (Sch 2)
140	.49	Agency Staff	8900	0	0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	1,480	0	1,480 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 1,480	\$ 0	\$ 1,480
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>		\$ 1,927,481	\$ 0	\$ 1,927,481
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 32,103	\$ 0	\$ 32,103 (Sch 2)
155	.20-.39	Fringe Benefits	6600	7,292	0	7,292 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	2,163	0	2,163 (Sch 4)
155		Social Services - Total	6600	\$ 41,558	\$ 0	\$ 41,558

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:

VALLEY CONVALESCENT CENTER

Fiscal Period:

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

NPI:

1467447102

OSHPD Facility Number:

206130785

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	\$ 24,586	\$ 0	\$ 24,586	(Sch 2)
160	.20-.39	Fringe Benefits	6700	5,551	0	5,551	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	3,712	0	3,712	(Sch 4)
160		Activities - Total	6700	\$ 33,849	\$ 0	\$ 33,849	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 139,425	\$ 0	\$ 139,425	(Sch 6)
165	.20-.39	Fringe Benefits	6900	37,824	0	37,824	(Sch 6)
165	.49	Agency Staff	6900	5,604	0	5,604	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	469,329	0	469,329	(Sch 6)
165		Administration - Total	6900	\$ 652,182	\$ 0	\$ 652,182	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 22,917	\$ 0	\$ 22,917	(Sch 3)
166	.20-.39	Fringe Benefits	6900	3,637	0	3,637	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	10,393	0	10,393	(Sch 4)
166		Medical Records - Total	6900	\$ 36,947	\$ 0	\$ 36,947	
167		CDPH Licensing Fees	6900	\$ 36,548	\$ 0	\$ 36,548	(Sch 6)
168		Professional Liability Insurance	6900	\$ 151,599	\$ 0	\$ 151,599	(Sch 6)
169		Quality Assurance Fees	6900	\$ 468,720	\$ 0	\$ 468,720	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 0	\$ 0	\$ 0	(Sch 3)
170	.20-.39	Fringe Benefits	6800	0	0	0	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	123	0	123	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 123	\$ 0	\$ 123	
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>		\$ 1,421,526	\$ 0	\$ 1,421,526	
200		<b>Total</b>		\$ 5,456,965	\$ 0	\$ 5,456,965	

210	0.24	Total Facility Group Health Insurance (Adj 1) *	6900			\$ 19,065	
-----	------	---	------	--	--	-----------	--

\* For informational purposes only, this amount is included in various cost centers above.









Provider Name							Fiscal Period			NPI		Adjustments	
VALLEY CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1467447102		4	
Report References							Explanation of Audit Adjustments			As Reported		Increase (Decrease)	As Adjusted
Cost Report			Audit Report										
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.							
<u>MEMORANDUM ADJUSTMENT</u>													
1	N/A			8	210		Total Facility Group Health Insurance To reflect Group Health Insurance in the audit report for information purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$19,065	\$19,065	

Provider Name							Fiscal Period	NPI	Adjustments	
VALLEY CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1467447102	4	
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>ADJUSTMENT TO REPORTED STATISTICS</u></b>										
2	10.7	060	3	7	060		Laundry and Linen (Square Feet)	0	839	839
	10.7	165	2,3	7	165		Administration	0	612	612
	10.7	175	2	7	N/A		Total Statistics—Square Feet	19,911	612	20,523
	10.7	175	3	7	N/A		Total Statistics—Square Feet	18,680	1,451	20,131
							To include statistics on page 10.7 columns 2 and 3 to agree with column 1.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2304, and 2306			

Provider Name							Fiscal Period	NPI		Adjustments
VALLEY CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1467447102		4
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>ADJUSTMENT TO REPORTED PATIENT DAYS</u></b>										
3	4.1	5	2	1	15	Skilled Nursing Care—Medi-Cal Days To adjust Medi-Cal days to agree with the following Fiscal Intermediary payment data: Service Period: January 1, 2011 through December 31, 2011 Payment Period: January 1, 2011 through May 15, 2013 Reports Dated: June 04, 2013 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	27,347	(29)	27,318	

Provider Name							Fiscal Period			NPI		Adjustments	
VALLEY CONVALESCENT CENTER							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1467447102		4	
Report References							Explanation of Audit Adjustments			As Reported		Increase (Decrease)	As Adjusted
Cost Report			Audit Report										
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.							
<u>ADJUSTMENT TO OTHER MATTERS</u>													
4	N/A			1	14		Medi-Cal Overpayments To recover Medi-Cal overpayments due to lack of documentation confirming the Share of Cost was properly deducted from the amount billed. 42 CFR 413.20 and 431.107 CMS Pub. 15-1, Sections 2300 and 2304.1 W&I Code, Sections 14105.27 and 14124.2(b) CCR, Title 22, Section 51476			\$0	\$11,065	\$11,065	