

**REPORT  
ON THE  
RATE SETTING AUDIT**

**VALLEY SKILLED NURSING FACILITY  
SACRAMENTO, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1396720892**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2011**

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

**Section Chief: Margaret A. Varho  
Audit Supervisor: Henry Igboke  
Auditor: Rita Lopez**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

Date: July 18, 2013

Spencer Olsen, Treasurer  
North American Health Care, Inc.  
3 Monarch Bay Plaza, Suite 203  
Dana Point, CA 92629

VALLEY SKILLED NURSING FACILITY  
NATIONAL PROVIDER IDENTIFIER (NPI) 1396720892  
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 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 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 that include a summary of the total due the State in the amount of \$1,055, which resulted from Medi-Cal overpayments

The audit settlement will be incorporated into a Statement of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement of Account Status.

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

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

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

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

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

**United States Postal Service (USPS)**

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

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

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

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

If you have questions regarding this report, you may call the Audits Section—Santa Ana at (714) 558-4434.

***(Original signed by Stan Van Arsdale)***

*for*

Margaret A. Varho, Chief  
Audits Section—Santa Ana  
Financial Audits Branch

Certified

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

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility No.:  
206341069

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 2,178,859	\$ 120.89
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 562,502	\$ 31.21
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 381,224	\$ 21.15
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 149,158	\$ 8.28
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 27,091	\$ 1.50
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 10,303	\$ 0.57
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 36,660	\$ 2.03
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 175,735	\$ 9.75
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 673,115	\$ 37.35
11	Cost of Routine Service/Audited Total Costs	\$ 4,223,146	\$ 4,194,647	\$ 232.73
12	Total Patient Days (Adj )	18,024	18,024	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 234.31	\$ 232.73	
14	Overpayments (Adj 4)	\$ 0	\$ (1,055)	
15	Medi-Cal Days (Adj 3)	7,775	7,712	
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 SKILLED NURSING FACILITY

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

**Provider NPI:**  
1396720892

**OSHPD Facility No.:**  
206341069

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 SKILLED NURSING FACILITY

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

**Provider NPI:**  
1396720892

**OSHPD Facility No.:**  
206341069

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	\$ 50,159	\$ 50,159		
160	Activities	84,115		\$ 84,115	
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	375,896	0	0	375,896
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	271,782	0	0	271,782
083	Speech Pathology	27,585	0	0	27,585
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
	<b>ROUTINE SERVICES</b>				
105	Skilled Nursing Care	2,044,585	50,159	84,115	2,178,859 *
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>\$ 2,854,122</b>	<b>\$ 50,159</b>	<b>\$ 84,115</b>	<b>\$ 2,854,122</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
VALLEY SKILLED NURSING FACILITY

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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	\$ 56,754	\$ 56,754										
010	Housekeeping	130,389	-	\$ 130,389									
060	Laundry and Linen	93,920	3,994	9,176	\$ 107,089								
065	Dietary	257,378	3,904	8,970	0	\$ 270,253							
155	Social Services	N/A	525	1,205	0	0	\$ 1,730						
160	Activities	N/A	0	0	0	0	0	\$ -					
165	Administration	N/A	4,954	11,380	0	0	0	0		\$ 16,334	\$ 16,334		
166	Medical Records	56,755	894	2,054	0	0	0	0		59,703		\$ 59,703	
170	Inservice Education - Nursing	1,084	0	0	0	0	0	0	\$ 1,084				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		596	1,369	0	0	0	0	0	1,966	109	397	\$ 2,471
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		2,092	4,807	0	0	0	0	0	6,899	1,909	6,976	15,784
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	1,252	4,576	5,828
083	Speech Pathology		0	0	0	0	0	0	0	0	168	615	783
085	Pharmacy		149	342	0	0	0	0	0	491	885	3,236	4,613
090	Laboratory		0	0	0	0	0	0	0	0	150	547	697
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	92	337	429
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		38,740	89,003	107,089	270,253	1,730	0	1,084	507,899	11,730	42,874	562,502 *
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		763	1,753	0	0	0	0	0	2,516	35	127	2,678
145	Other Nonreimbursable		143	329	0	0	0	0	0	472	5	18	494
	<b>TOTAL</b>	<b>\$ 596,280</b>	<b>\$ 56,754</b>	<b>\$ 130,389</b>	<b>\$ 107,089</b>	<b>\$ 270,253</b>	<b>\$ 1,730</b>	<b>\$ -</b>	<b>\$ 1,084</b>	<b>\$ 520,243</b>	<b>\$ 16,334</b>	<b>\$ 59,703</b>	<b>\$ 596,280</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
VALLEY SKILLED NURSING FACILITY

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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	\$ 127,068	\$ 127,068										
010	Housekeeping	19,073	0	\$ 19,073									
060	Laundry and Linen	11,477	8,942	1,342	\$ 21,761								
065	Dietary	139,060	8,742	1,312	0	\$ 149,114							
155	Social Services	218	1,174	176	0	0	\$ 1,569						
160	Activities	6,478	0	0	0	0	0	\$ 6,478					
165	Administration	N/A	11,091	1,665	0	0	0	0		\$ 12,755	\$ 12,755		
166	Medical Records	6,453	2,002	300	0	0	0	0		8,755		\$ 8,755	
170	Inservice Education - Nursing	0	0	0	0	0	0	0	\$ -				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	24,214	1,335	200	0	0	0	0	0	25,749	85	58	\$ 25,892
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	127,672	4,684	703	0	0	0	0	0	133,060	1,490	1,023	135,573
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	71,324	0	0	0	0	0	0	0	71,324	978	671	72,973
083	Speech Pathology	18,497	0	0	0	0	0	0	0	18,497	131	90	18,718
085	Pharmacy	241,215	334	50	0	0	0	0	0	241,599	691	475	242,765
090	Laboratory	41,042	0	0	0	0	0	0	0	41,042	117	80	41,239
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	25,248	0	0	0	0	0	0	0	25,248	72	49	25,369
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	87,100	86,736	13,019	21,761	149,114	1,569	6,478	0	365,777	9,160	6,287	381,224 *
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	2,442	1,708	256	0	0	0	0	0	4,407	27	19	4,453
145	Other Nonreimbursable	0	320	48	0	0	0	0	0	368	4	3	375
	<b>TOTAL</b>	<b>\$ 948,581</b>	<b>\$ 127,068</b>	<b>\$ 19,073</b>	<b>\$ 21,761</b>	<b>\$ 149,114</b>	<b>\$ 1,569</b>	<b>\$ 6,478</b>	<b>\$ -</b>	<b>\$ 927,070</b>	<b>\$ 12,755</b>	<b>\$ 8,755</b>	<b>\$ 948,581</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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)	\$ 164,816	85%							
	Property Tax (line 40)	29,935	15%	\$ 194,751						
005	Plant Operations and Maintenance			0	\$ -					
010	Housekeeping			0	0	\$ -				
060	Laundry and Linen			13,705	0	0	\$ 13,705			
065	Dietary			13,398	0	0	0	\$ 13,398		
155	Social Services			1,800	0	0	0	0	\$ 1,800	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			16,998	0	0	0	0	0	0
166	Medical Records			3,068	0	0	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			2,045	0	0	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			7,180	0	0	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			511	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			132,936	0	0	13,705	13,398	1,800	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			2,618	0	0	0	0	0	0
145	Other Nonreimbursable			491	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 194,751</b>	<b>100%</b>	<b>\$ 194,751</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,705</b>	<b>\$ 13,398</b>	<b>\$ 1,800</b>	<b>\$ -</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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 85% Of Total	Property Tax 15% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 164,816	85%							
	Property Tax (line 40)	29,935	15%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 16,998	\$ 16,998				
166	Medical Records				3,068		\$ 3,068			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	2,045	113	20	\$ 2,179	\$ 1,844	\$ 335
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	7,180	1,986	359	9,524	8,060	1,464
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	1,303	235	1,538	1,302	236
083	Speech Pathology			0	0	175	32	207	175	32
085	Pharmacy			0	511	921	166	1,599	1,353	246
090	Laboratory			0	0	156	28	184	156	28
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	96	17	113	96	17
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	161,839	12,207	2,203	176,249	149,158	27,091
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	2,618	36	7	2,661	2,252	409
145	Other Nonreimbursable			0	491	5	1	497	421	76
	<b>TOTAL</b>	\$ 194,751	100%	\$ -	\$ 174,685	\$ 16,998	\$ 3,068	\$ 194,751	\$ 164,816	\$ 29,935

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
VALLEY SKILLED NURSING FACILITY

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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. 75% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 4% of Total	Quality Assur. Fees 20% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 6,724												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	930,610												
	Total Costs Allocable as Administration	937,334	75%											
167	CDPH Licensing Fees	14,347	1%											
168	Professional Liability Insurance	51,050	4%											
169	Quality Assurance Fees	244,717	20%											
174	Caregiver Training	0	0%											
	Total	1,247,448	100%						\$ 1,247,448					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ -	\$ 1,966	\$ 25,749	\$ 2,045	\$ 29,760	8,294	\$ 6,232	\$ 95	\$ 339	\$ 1,627	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			375,896	6,899	133,060	7,180	523,034	145,764	109,527	1,676	5,965	28,595	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			271,782	0	71,324	0	343,106	95,620	71,849	1,100	3,913	18,758	0
083	Speech Pathology			27,585	0	18,497	0	46,082	12,843	9,650	148	526	2,519	0
085	Pharmacy			0	491	241,599	511	242,602	67,611	50,803	778	2,767	13,263	0
090	Laboratory			0	0	41,042	0	41,042	11,438	8,595	132	468	2,244	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	25,248	0	25,248	7,036	5,287	81	288	1,380	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>														
105	Skilled Nursing Care			2,178,859	507,899	365,777	161,839	3,214,374	895,813	673,115	10,303	36,660	175,735	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	2,516	4,407	2,618	9,541	2,659	1,998	31	109	522	0
145	Other Nonreimbursable			0	472	368	491	1,331	371	279	4	15	73	0
	<b>SUBTOTAL</b>	\$ 1,247,448		\$ 2,854,122	\$ 520,243	\$ 927,070	\$ 174,685	\$ 4,476,120	\$ 1,247,448					
	Total Administrative Costs							\$ 1,247,448		\$ 937,334	\$ 14,347	\$ 51,050	\$ 244,717	\$ -
	Unit Cost Multiplier							0.27868960						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 76,037	\$ 21,511	\$ 20,066	\$ 117,614							
	<b>TOTAL FACILITY COSTS</b>							\$ 5,841,182						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
VALLEY SKILLED NURSING FACILITY

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj )	Plant Ops (SQ FT) 5 (Adj )	Hskpng (SQ FT) 10 (Adj )	Laundry (LBS) 60 (Adj )	Dietary (MEALS) 65 (Adj )	Soc Srvs (DIRECT EXP) 155 (Adj )	Activities (DIRECT EXP) 160 (Adj )	Inserv. Ed (DIRECT EXP) 170 (Adj )	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance										
010	Housekeeping										
060	Laundry and Linen	670	670	670							
065	Dietary	655	655	655							
155	Social Services	88	88	88							
160	Activities										
165	Administration	831	831	831							
166	Medical Records	150	150	150							
170	Inservice Education - Nursing										
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	100	100	100						29,760	29,760
077	Specialized Support Surfaces									0	0
080	Physical Therapy	351	351	351						523,034	523,034
081	Respiratory Therapy									0	0
082	Occupational Therapy									343,106	343,106
083	Speech Pathology									46,082	46,082
085	Pharmacy	25	25	25						242,602	242,602
090	Laboratory									41,042	41,042
095	Home Health Services									0	0
100	Other Ancillary Services									25,248	25,248
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	6,499	6,499	6,499	68,491	53,712	2,131,685	2,131,685	2,131,685	3,214,374	3,214,374
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	<b>NONREIMBURSABLE</b>										
139	Residential Care									0	0
140	Beauty and Barber	128	128	128						9,541	9,541
145	Other Nonreimbursable	24	24	24						1,331	1,331
	<b>TOTAL STATISTICS</b>	<b>9,521</b>	<b>9,521</b>	<b>9,521</b>	<b>68,491</b>	<b>53,712</b>	<b>2,131,685</b>	<b>2,131,685</b>	<b>2,131,685</b>	<b>4,476,120</b>	<b>4,476,120</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						\$ 50,159 0.023530212	\$ 84,115 0.039459395			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		\$ 56,754 5.96092847	\$ 130,389 13.69488499	\$ 107,089 1.56355426	\$ 270,253 5.03151173	\$ 1,730 0.00081143	\$ - 0.00000000	\$ 1,084 0.00050852	\$ 16,334 0.00364914	\$ 59,703 0.01333820
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		\$ 127,068 13.34607709	\$ 19,073 2.00325596	\$ 21,761 0.31772135	\$ 149,114 2.77617317	\$ 1,569 0.00073592	\$ 6,478 0.00303891	\$ - 0.00000000	\$ 12,755 0.00284963	\$ 8,755 0.00195603
	<b>TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	\$ 194,751 20.45488919	\$ - 0.00000000	\$ - 0.00000000	\$ 13,705 0.20009601	\$ 13,398 0.24944058	\$ 1,800 0.00084442	\$ - 0.00000000	\$ - 0.00000000	\$ 16,998 0.00379749	\$ 3,068 0.00068547

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 42,908	\$ 0	\$ 42,908	(Sch 3)
005	.20-.39	Fringe Benefits	6200	13,846	0	13,846	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	127,068	0	127,068	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 183,822	\$ 0	\$ 183,822	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 101,087	\$ 0	\$ 101,087	(Sch 3)
010	.20-.39	Fringe Benefits	6300	29,302	0	29,302	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	19,073	0	19,073	(Sch 4)
010		Housekeeping - Total	6300	\$ 149,462	\$ 0	\$ 149,462	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 0	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	103,843	0	103,843	(Sch 5)
025		Depreciation: Equipment	7140	56,240	0	56,240	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	0	0	0	(Sch 5)
040		Property Taxes	7300	29,935	0	29,935	(Sch 5)
045		Property Insurance	7400	6,724	0	6,724	(Sch 5)
050		Interest - Property, Plant, and Equipment	7500	4,733	0	4,733	(Sch 6)
055		Interest - Other	7600	\$ 0	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 534,759	\$ 0	\$ 534,759	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 70,783	\$ 0	\$ 70,783	(Sch 3)
060	.20-.39	Fringe Benefits	6400	23,137	0	23,137	(Sch 3)
060	.79	Agency Staff	6400	0	0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	11,477	0	11,477	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 105,397	\$ 0	\$ 105,397	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 193,771	\$ 0	\$ 193,771	(Sch 3)
065	.20-.39	Fringe Benefits	6500	63,607	0	63,607	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	139,060	0	139,060	(Sch 4)
065		Dietary - Total	6500	\$ 396,438	\$ 0	\$ 396,438	
070		Provision for Bad Debts	7700	\$ 0	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	24,214	0	24,214	(Sch 4)
075		Patient Supplies - Total	8100	\$ 24,214	\$ 0	\$ 24,214	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	0	0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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	\$ 322,739	\$ 0	\$ 322,739	(Sch 2)
080	.20-.39	Fringe Benefits	8200	53,157	0	53,157	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	127,672	0	127,672	(Sch 4)
080		Physical Therapy - Total	8200	\$ 503,568	\$ 0	\$ 503,568	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	0	0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 244,578	\$ 0	\$ 244,578	(Sch 2)
082	.20-.39	Fringe Benefits	8250	27,204	0	27,204	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	71,324	0	71,324	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 343,106	\$ 0	\$ 343,106	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 21,923	\$ 0	\$ 21,923	(Sch 2)
083	.20-.39	Fringe Benefits	8280	5,662	0	5,662	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	18,497	0	18,497	(Sch 4)
083		Speech Pathology - Total	8280	\$ 46,082	\$ 0	\$ 46,082	
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	241,215	0	241,215	(Sch 4)
085		Pharmacy - Total	8300	\$ 241,215	\$ 0	\$ 241,215	
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	41,042	0	41,042	(Sch 4)
090		Laboratory - Total	8400	\$ 41,042	\$ 0	\$ 41,042	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	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	25,248	0	25,248	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 25,248	\$ 0	\$ 25,248	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	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	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 1,224,475	\$ 0	\$ 1,224,475	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,627,010	\$ 0	\$ 1,627,010	(Sch 2)
105	.20-.39	Fringe Benefits	6110	417,575	0	417,575	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	87,100	0	87,100	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,131,685	\$ 0	\$ 2,131,685	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	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	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	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	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	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	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	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	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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	\$ 0
128	.20-.39	Fringe Benefits	6170	0	0	0
128	.49	Agency Staff	6170	0	0	0
128	.40-.99	Other - Nonlabor	6170	0	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	\$ 0
130	.20-.39	Fringe Benefits	6180	0	0	0
130	.49	Agency Staff	6180	0	0	0
130	.40-.99	Other - Nonlabor	6180	0	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	\$ 0
135	.20-.39	Fringe Benefits	6190	0	0	0
135	.49	Agency Staff	6190	0	0	0
135	.40-.99	Other - Nonlabor	6190	0	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	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
139	.49	Agency Staff	9100	0	0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100	0	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	47	2,395	2,442 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 47	\$ 2,395	\$ 2,442
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100	0	0	0 (Sch 2)
145	.49	Agency Staff	9100	0	0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100	0	0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 2,131,732	\$ 2,395	\$ 2,134,127
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 42,488	\$ 0	\$ 42,488 (Sch 2)
155	.20-.39	Fringe Benefits	6600	7,671	0	7,671 (Sch 2)
155	.49	Agency Staff	6600	0	0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	218	0	218 (Sch 4)
155		Social Services - Total	6600	\$ 50,377	\$ 0	\$ 50,377

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VALLEY SKILLED NURSING FACILITY

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

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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	\$ 60,473	\$ 0	\$ 60,473	(Sch 2)
160	.20-.39	Fringe Benefits	6700	23,642	0	23,642	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	6,478	0	6,478	(Sch 4)
160		Activities - Total	6700	\$ 90,593	\$ 0	\$ 90,593	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 463,426	\$ 0	\$ 463,426	(Sch 6)
165	.20-.39	Fringe Benefits	6900	94,689	0	94,689	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	381,346	(8,851)	372,495	(Sch 6)
165		Administration - Total	6900	\$ 939,461	\$ (8,851)	\$ 930,610	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 47,042	\$ 0	\$ 47,042	(Sch 3)
166	.20-.39	Fringe Benefits	6900	9,713	0	9,713	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	6,453	0	6,453	(Sch 4)
166		Medical Records - Total	6900	\$ 63,208	\$ 0	\$ 63,208	
167		CDPH Licensing Fees	6900	\$ 14,347	\$ 0	\$ 14,347	(Sch 6)
168		Professional Liability Insurance	6900	\$ 51,050	\$ 0	\$ 51,050	(Sch 6)
169		Quality Assurance Fees	6900	\$ 244,717	\$ 0	\$ 244,717	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 1,000	\$ 0	\$ 1,000	(Sch 3)
170	.20-.39	Fringe Benefits	6800	84	0	84	(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	\$ 1,084	\$ 0	\$ 1,084	
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>		\$ 1,454,837	\$ (8,851)	\$ 1,445,986	
200		<b>Total</b>		\$ 5,847,638	\$ (6,456)	\$ 5,841,182	

210	0.24	Total Facility Group Health Insurance *	6900			\$ 0	
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\* For informational purposes only, this amount is included in various cost centers above.





Provider Name:  
VALLEY SKILLED NURSING FACILITY

Provider NPI:  
1396720892

OSHPD Facility Number:  
206341069

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

Line No.	Sub No.	Description	TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	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	2,395		2,395					
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	0							
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	0							
160	3	Activities - Agency Staff	0							
160	4	Activities - Other - Nonlabor	0							
165	1	Administration - Salaries and Wages	0							
165	2	Administration - Fringe Benefits	0							
165	3	Administration - Agency Staff	0							
165	4	Administration - Other - Nonlabor	(8,851)	(8,851)						
166	1	Medical Records - Salaries and Wages	0							
166	2	Medical Records - Fringe Benefits	0							
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	0							
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	0							
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							Fiscal Period	Provider NPI		Adjustments
VALLEY SKILLED NURSING FACILITY							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1396720892		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>ADJUSTMENTS TO REPORTED COSTS</u></b>										
1	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust home office costs to agree with the filed North American Health Care, Inc. Home Office Cost Report for fiscal period ended December 31, 2011. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	\$381,346	(\$8,851)	\$372,495
2	10.5	140	4	8A-1	140	4	Beauty and Barber To reverse provider's revenue abatement associated with a nonreimbursable cost center. 42 CFR 413.9, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2328	\$47	\$2,395	\$2,442

Provider Name							Fiscal Period	Provider NPI		Adjustments
VALLEY SKILLED NURSING FACILITY							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011	1396720892		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	Medi-Cal Days To adjust reported Medi-Cal days based on the following Fiscal Intermediary Payment Data: Service Period: January 01, 2011 through December 31, 2011 Payment Period: January 01, 2011 through May 29, 2013 Report Date: May 29, 2013 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	7,775	(63)	7,712	

Provider Name							Fiscal Period			Provider NPI		Adjustments
VALLEY SKILLED NURSING FACILITY							JANUARY 1, 2011 THROUGH DECEMBER 31, 2011			1396720892		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	N/A	Overpayments To recover outstanding Medi-Cal credit balances. 42 CFR 433.139, 413.20 and 413.24 and 431.07 CMS Pub. 15-1, Section 2409 CCR, Title 22, Section 51458.1	\$0	\$1,055	\$1,055		