

**REPORT
ON THE
COST REPORT REVIEW**

**SOUTHERN INYO HOSPITAL
LONE PINE, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1831128602**

**FISCAL PERIOD ENDED
JUNE 30, 2012**

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

**Section Chief: Michael Harrold
Audit Supervisor: Kristina Nacino
Auditor: Effie Zoulek**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

April 29, 2014

Lee Barron, CEO
Southern Inyo Hospital
501 East Locust Street
Lone Pine, CA 93545

SOUTHERN INYO HOSPITAL
NATIONAL PROVIDER IDENTIFIER (NPI) 1831128602
FISCAL PERIOD ENDED JUNE 30, 2012

We have examined the provider's Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the audited settlement for the fiscal period due the State in the amount of \$8,729 presented in the Summary of Findings represents a proper determination in accordance with the reimbursement principles of applicable programs.

This audit report includes the:

1. Summary of Findings
2. Computation of Medi-Cal Reimbursement Settlement (NONCONTRACT Schedules)
3. Computation of Distinct Part Nursing Facility Per Diem (DPNF Schedules)
4. Audit Adjustments Schedule

The audited 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 long-term care prospective rates may be affected by this examination. The extent of the rate changes 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.

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.

Lee Barron
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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 FINDINGS

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

	SETTLEMENT	COST
1. Medi-Cal Noncontract Settlement (SCHEDULE 1) Provider NPI: 1831128602		
Reported	\$ 6,328	
Net Change	\$ (9,790)	
Audited Amount Due Provider (State)	\$ (3,462)	
2. Subprovider I (SCHEDULE 1-1) Provider NPI:		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
3. Subprovider II (SCHEDULE 1-2) Provider NPI:		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
4. Medi-Cal Contract Cost (CONTRACT SCH 1) Provider NPI:		
Reported		\$ 0
Net Change		\$ 0
Audited Cost		\$ 0
Audited Amount Due Provider (State)	\$ 0	
5. Distinct Part Nursing Facility (DPNF SCH 1) Provider NPI: 1831128602		
Reported		\$ 273.09
Net Change		\$ (15.51)
Audited Cost Per Day		\$ 257.58
Audited Amount Due Provider (State)	\$ (5,267)	
6. Distinct Part Nursing Facility (DPNF SCH 1-1) Provider NPI:		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
7. Adult Subacute (ADULT SUBACUTE SCH 1) Provider NPI:		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
8. Total Medi-Cal Settlement Due Provider (State) - (Lines 1 through 7)	\$ (8,729)	
9. Total Medi-Cal Cost		\$ 0

SUMMARY OF FINDINGS

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

		SETTLEMENT	COST
10. Subacute (SUBACUTE SCH 1-1)	Provider NPI:		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)		\$ 0	
11. Rural Health Clinic (RHC SCH 1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
12. Rural Health Clinic (RHC 95-210 SCH 1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
13. Rural Health Clinic (RHC 95-210 SCH 1-1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
14. County Medical Services Program (CMSP SCH 1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
15. Transitional Care (TC SCH 1)	Provider NPI:		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)		\$ 0	
16. Total Other Settlement	Due Provider - (Lines 10 through 15)	\$ 0	
17. Total Combined Audited Settlement Due	Provider (State/CMSP/RHC) - (Line 8 + Line 16)	\$ (8,729)	

COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

Provider NPI:
1831128602

		REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Schedule 3)		\$ <u>42,892</u>	\$ <u>35,039</u>
2. Excess Reasonable Cost Over Charges (Schedule 2)		\$ <u>(13,528)</u>	\$ <u>(7,798)</u>
3. Medi-Cal Inpatient Hospital Based Physician Services		\$ <u>0</u>	\$ <u>N/A</u>
4.	\$	\$ <u>0</u>	\$ <u>0</u>
5. TOTAL COST-Reimbursable to Provider (Lines 1 through 4)		\$ <u>29,364</u>	\$ <u>27,241</u>
6. Interim Payments (Adj)		\$ <u>(23,036)</u>	\$ <u>(23,036)</u>
7. Balance Due Provider (State) (Adj 1)		\$ <u>6,328</u>	\$ <u>4,205</u>
8. Duplicate Payments (Adj)		\$ <u>0</u>	\$ <u>0</u>
9. Share of Cost (Adj)		\$ <u>0</u>	\$ <u>0</u>
10. Credit Balance (Adj 34)		\$ <u>0</u>	\$ <u>(7,667)</u>
11. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)		\$ <u><u>6,328</u></u>	\$ <u><u>(3,462)</u></u>
			(To Summary of Findings)

COMPUTATION OF LESSER OF
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGESProvider Name:
SOUTHERN INYO HOSPITALFiscal Period Ended:
JUNE 30, 2012Provider NPI:
1831128602

REPORTED

AUDITED

REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Schedule 3) \$ 43,662 \$ 37,632

CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adj) \$ 9,810 \$ 9,8103. Inpatient Ancillary Service Charges (Adj 30) \$ 20,324 \$ 20,0244. Total Charges - Medi-Cal Inpatient Services \$ 30,134 \$ 29,8345. Excess of Customary Charges Over Reasonable Cost
(Line 4 minus Line 1) * \$ 0 \$ 06. Excess of Reasonable Cost Over Customary Charges
(Line 1 minus Line 4) \$ 13,528 \$ 7,798
(To Schedule 1)

* If charges exceed reasonable cost, no further calculation necessary for this schedule.

COMPUTATION OF
MEDI-CAL NET COSTS OF COVERED SERVICESProvider Name:
SOUTHERN INYO HOSPITALFiscal Period Ended:
JUNE 30, 2012Provider NPI:
1831128602

	REPORTED	AUDITED
1. Medi-Cal Inpatient Ancillary Services (Schedule 5)	\$ 6,428	\$ 5,946
2. Medi-Cal Inpatient Routine Services (Schedule 4)	\$ 37,234	\$ 31,686
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch)	\$ 0	\$ 0
4. \$ \$	0	0
5. \$ \$	0	0
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ 43,662	\$ 37,632
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Schedule 7)	\$ (See Schedule 1)	\$ 0
8. SUBTOTAL	\$ 43,662	\$ 37,632
	(To Schedule 2)	
9. Medi-Cal Deductible (Adj 28)	\$ 0	\$ (1,823)
10. Medi-Cal Coinsurance (Adj)	\$ (770)	\$ (770)
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ 42,892	\$ 35,039
	(To Schedule 1)	

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:
SOUTHERN INYO HOSPITALFiscal Period Ended:
JUNE 30, 2012Provider NPI:
1831128602

GENERAL SERVICE UNIT NET OF SWING-BED COSTS

REPORTED	AUDITED
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INPATIENT DAYS

1. Total Inpatient Days (include private & swing-bed) (Adj 23)	296	349
2. Inpatient Days (include private, exclude swing-bed) (Adj 23)	263	296
3. Private Room Days (exclude swing-bed private room) (Adj)	0	0
4. Semi-Private Room Days (exclude swing-bed) (Adj 23)	263	296
5. Medicare NF Swing-Bed Days through Dec 31 (Adj)	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj)	33	33
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj)	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj 31)	0	20
9. Medi-Cal Days (excluding swing-bed) (Adj)	18	18

SWING-BED ADJUSTMENT

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj 32)	\$ 0.00	\$ 1,678.72
18. Medicare NF Swing-Bed Rates after Dec 31 (Adj 32)	\$ 0.00	\$ 1,678.72
19. Medi-Cal NF Swing-Bed Rates through July 31 (Adj 33)	\$ 185.96	\$ 305.15
20. Medi-Cal NF Swing-Bed Rates after July 31 (Adj 33)	\$ 185.96	\$ 307.25
21. Total Routine Serv Cost (Sch 8, Line 30, Col 27)	\$ 612,287	\$ 582,606
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 55,398
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 6,145
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 68,262	\$ 61,543
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 544,025	\$ 521,063

PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)	\$ 339,768	\$ 339,768
29. Private Room Charges (excluding swing-bed charges)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges)	\$ 339,768	\$ 339,768
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 ÷ L 28)	\$ 1.601166	\$ 1.533585
32. Average Private Room Per Diem Charge (L 29 ÷ L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 ÷ L 4)	\$ 1,291.89	\$ 1,147.86
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 544,025	\$ 521,063

PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 ÷ L 2)	\$ 2,068.54	\$ 1,760.35
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 37,234	\$ 31,686
40. Cost Applicable to Medi-Cal (Sch 4A)	\$ 0	\$ 0
41. Cost Applicable to Medi-Cal (Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39,40 & 41)	\$ 37,234	\$ 31,686

(To Schedule 3)

**COMPUTATION OF
DISTINCT PART NURSING FACILITY PER DIEM**

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

Provider NPI:
1831128602

	REPORTED	AUDITED	DIFFERENCE
COMPUTATION OF DISTINCT PART (DP) NURSING FACILITY PER DIEM			
1. Distinct Part Ancillary Cost (DPNF Sch 3)	\$ 140,527	\$ 111,806	\$ (28,721)
2. Distinct Part Routine Cost (DPNF Sch 2)	\$ 2,901,131	\$ 2,795,517	\$ (105,614)
3. Total Distinct Part Facility Cost (Lines 1 & 2)	\$ 3,041,658	\$ 2,907,323	\$ (134,335)
4. Total Distinct Part Patient Days (Adj 24)	11,138	11,287	149
5. Average DP Per Diem Cost (Line 3 ÷ Line 4)	\$ 273.09	\$ 257.58	\$ (15.51)
DPNF OVERPAYMENTS AND OVERBILLINGS			
6. Medi-Cal Overpayments (Adj 35, 36)	\$ 0	\$ (5,267)	\$ (5,267)
7. Medi-Cal Credit Balances (Adj)	\$ 0	\$ 0	\$
8. MEDI-CAL SETTLEMENT Due Provider (State)	\$ 0	\$ (5,267)	\$ (5,267)
	(To Summary of Findings)		
GENERAL INFORMATION			
9. Total Licensed Distinct Part Beds (C/R, W/S S-3)	33	33	0
10. Total Licensed Capacity (All levels) (Adj)	37	37	0
11. Total Medi-Cal DP Patient Days (Adj 25, 26)	10,191	10,477	286
CAPITAL RELATED COST			
12. Direct Capital Related Cost	N/A	\$ 0	N/A
13. Indirect Capital Related Cost (DPNF Sch 5)	N/A	\$ 141,224	N/A
14. Total Capital Related Cost (Lines 12 & 13)	N/A	\$ 141,224	N/A
TOTAL SALARY & BENEFITS			
15. Direct Salary & Benefits Expenses	N/A	\$ 982,304	N/A
16. Allocated Salary & Benefits (DPNF Sch 5)	N/A	\$ 1,153,633	N/A
17. Total Salary & Benefits Expenses (Lines 15 & 16)	N/A	\$ 2,135,937	N/A

SUMMARY OF DISTINCT PART FACILITY EXPENSES

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

Provider NPI:
1831128602

COL.	COST CENTER DIRECT AND ALLOCATED EXPENSE	REPORTED	AUDITED *	DIFFERENCE
0.00	Distinct Part	\$ 1,157,049	\$ 1,154,021	\$ (3,028)
1.00	Capital Related Costs-Buildings and Fixtures	9,252	10,018	766
2.00	Capital Related Costs-Movable Equipment	33,989	52,963	18,974
3.00	Other Capital Related Costs		0	0
3.01			0	0
3.02			0	0
3.03			0	0
3.04			0	0
3.05			0	0
3.06			0	0
3.07			0	0
3.08			0	0
3.09			0	0
4.00	Employee Benefits	256,758	261,281	4,523
5.01			0	0
5.02			0	0
5.03			0	0
5.04			0	0
5.05			0	0
5.06			0	0
5.07			0	0
5.08			0	0
5.00	Administrative and General	301,820	260,491	(41,329)
6.00	Maintenance and Repairs	143,146	125,772	(17,374)
7.00	Operation of Plant	66,016	71,970	5,954
8.00	Laundry and Linen Service	70,843	62,543	(8,300)
9.00	Housekeeping	85,554	82,172	(3,382)
10.00	Dietary	512,431	511,573	(858)
11.00	Cafeteria	53,982	38,260	(15,722)
12.00	Maintenance of Personnel		0	0
13.00	Nursing Administration	164,163	119,731	(44,432)
14.00	Central Services and Supply		0	0
15.00	Pharmacy		0	0
16.00	Medical Records & Library	46,128	44,724	(1,404)
17.00	Social Service		0	0
18.00	Other General Service (specify)		0	0
19.00	Nonphysician Anesthetists		0	0
20.00	Nursing School		0	0
21.00	Intern & Res. Service-Salary & Fringes (Approved)		0	0
22.00	Intern & Res. Other Program Costs (Approved)		0	0
23.00	Paramedical Ed. Program (specify)		0	0
23.01			0	0
23.02			0	0
101.00	TOTAL DIRECT AND ALLOCATED EXPENSES	\$ 2,901,131	\$ 2,795,517	\$ (105,614)

(To DPNF Sch 1)

* From Schedule 8, line 44 plus line 45.

**ALLOCATION OF INDIRECT EXPENSES
DISTINCT PART NURSING FACILITY**

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

Provider NPI:
1831128602

COL.	COST CENTER	AUDITED CAP RELATED * (COL 1)	AUDITED SAL & EMP BENEFITS * (COL 2)
1.00	Capital Related Costs-Buildings and Fixtures	\$ 10,018	\$ N/A
2.00	Capital Related Costs-Movable Equipment	52,963	N/A
3.00	Other Capital Related Costs	0	N/A
3.01		0	N/A
3.02		0	N/A
3.03		0	N/A
3.04		0	N/A
3.05		0	N/A
3.06		0	N/A
3.07		0	N/A
3.08		0	N/A
3.09		0	N/A
4.00	Employee Benefits	538	260,743
5.01		0	0
5.02		0	0
5.03		0	0
5.04		0	0
5.05		0	0
5.06		0	0
5.07		0	0
5.08		0	0
5.00	Administrative and General	4,878	201,619
6.00	Maintenance and Repairs	27,897	70,607
7.00	Operation of Plant	6,951	12,522
8.00	Laundry and Linen Service	11,987	34,088
9.00	Housekeeping	1,426	67,224
10.00	Dietary	15,255	349,315
11.00	Cafeteria	3,895	23,560
12.00	Maintenance of Personnel	0	0
13.00	Nursing Administration	3,897	105,086
14.00	Central Services and Supply	0	0
15.00	Pharmacy	0	0
16.00	Medical Records & Library	1,518	28,870
17.00	Social Service	0	0
18.00	Other General Service (specify)	0	0
19.00	Nonphysician Anesthetists	0	0
20.00	Nursing School	0	0
21.00	Intern & Res. Service-Salary & Fringes (Approved)	0	0
22.00	Intern & Res. Other Program Costs (Approved)	0	0
23.00	Paramedical Ed. Program (specify)	0	0
23.01		0	0
23.02		0	0
101	TOTAL ALLOCATED INDIRECT EXPENSES	\$ 141,224	\$ 1,153,633

* These amounts include Skilled Nursing Facility expenses,
line 44.

(To DPNF SCH 1)

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

TRIAL BALANCE EXPENSES	ALLOC COST 3.09	EMPLOYEE BENEFITS 4.00	ALLOC COST 5.01	ALLOC COST 5.02	ALLOC COST 5.03	ALLOC COST 5.04	ALLOC COST 5.05	ALLOC COST 5.06	ALLOC COST 5.07	ALLOC COST 5.08	ACCUMULATE COST	ADMINIS-TRATIVE & GENERAL 5.00
105.00 Kidney Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
106.00 Heart Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
107.00 Liver Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
108.00 Lung Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
109.00 Pancreas Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
110.00 Intestinal Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
111.00 Islet Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
112.00 Other Organ Acquisition (specify)	0	0	0	0	0	0	0	0	0	0	0	0
113.00 Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0
114.00 Utilization Review-SNF	0	0	0	0	0	0	0	0	0	0	0	0
115.00 Ambulatory Surgical Center (Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
116.00 Hospice	0	0	0	0	0	0	0	0	0	0	0	0
117.00 Other Special Purpose (specify)	0	0	0	0	0	0	0	0	0	0	0	0
190.00 Gift, Flower, Coffee Shop, & Canteen	0	0	0	0	0	0	0	0	0	0	0	0
191.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
192.00 Physicians' Private Offices	0	0	0	0	0	0	0	0	0	0	0	0
193.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
194.00 Non-Reimbursable Meals	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	<u>0</u>	<u>1,034,054</u>	<u>0</u>	<u>7,352,487</u>	<u>1,101,499</u>							

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

TRIAL BALANCE EXPENSES	OTHER GEN	NONPHYSICIAN	NURSING	I & R SVC	I&R OTHER	PARAMEDICAL	ALLOC	ALLOC	SUBTOTAL	POST	TOTAL
	SVC (SPECIFIC) 18.00	ANESTHETIST 19.00	SCHOOL 20.00	SAL & BENEFITS 21.00	PROGRAM COSTS 22.00	EDUCATION PROGRAM 23.00	COST 23.01	COST 23.02	24.00	STEP-DOWN ADJUSTMENT 25.00	COST 26.00
105.00 Kidney Acquisition	0	0	0	0	0	0	0	0	0	0	0
106.00 Heart Acquisition	0	0	0	0	0	0	0	0	0	0	0
107.00 Liver Acquisition	0	0	0	0	0	0	0	0	0	0	0
108.00 Lung Acquisition	0	0	0	0	0	0	0	0	0	0	0
109.00 Pancreas Acquisition	0	0	0	0	0	0	0	0	0	0	0
110.00 Intestinal Acquisition	0	0	0	0	0	0	0	0	0	0	0
111.00 Islet Acquisition	0	0	0	0	0	0	0	0	0	0	0
112.00 Other Organ Acquisition (specify)	0	0	0	0	0	0	0	0	0	0	0
113.00 Interest Expense	0	0	0	0	0	0	0	0	0	0	0
114.00 Utilization Review-SNF	0	0	0	0	0	0	0	0	0	0	0
115.00 Ambulatory Surgical Center (Distinct Part)	0	0	0	0	0	0	0	0	0	0	0
116.00 Hospice	0	0	0	0	0	0	0	0	0	0	0
117.00 Other Special Purpose (specify)	0	0	0	0	0	0	0	0	0	0	0
190.00 Gift, Flower, Coffee Shop, & Canteen	0	0	0	0	0	0	0	0	0	0	0
191.00 Research	0	0	0	0	0	0	0	0	0	0	0
192.00 Physicians' Private Offices	0	0	0	0	0	0	0	0	0	0	0
193.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0
194.00 Non-Reimbursable Meals	0	0	0	0	0	0	0	0	19,769	0	19,769
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	7,352,487	0	7,352,487

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

	OPER PLANT (SQ FT) (Adj)	LAUNDRY & LINEN (LB LNDRY) (Adj)	HOUSE-KEEPING (SQ FT) (Adj)	DIETARY (MEALS SERVED) (Adj 21, 22)	CAFETERIA (FTES) (Adj)	MANT OF PERSONNEL (Adj)	NURSING ADMIN (HRS OF SVC) (Adj)	CENT SERV & SUPPLY (CSTD REQUIS) (Adj)	PHARMACY (COST REQUIS) (Adj)	MED REC (TOTAL REVENUE) (Adj)	SOC SERV (TIME SPENT) (Adj)	OTHER SVC (TIME SPENT) (Adj)
GENERAL SERVICE COST CENTERS												
1.00	Capital Related Costs-Buildings and Fixtures											
2.00	Capital Related Costs-Movable Equipment											
3.00	Other Capital Related Costs											
3.01												
3.02												
3.03												
3.04												
3.05												
3.06												
3.07												
3.08												
3.09												
4.00	Employee Benefits											
5.01												
5.02												
5.03												
5.04												
5.05												
5.06												
5.07												
5.08												
5.00	Administrative and General											
6.00	Maintenance and Repairs											
7.00	Operation of Plant											
8.00	923	Laundry and Linen Service										
9.00	272	Housekeeping										
10.00	1,043	Dietary										
11.00	420	Cafeteria										
12.00	Maintenance of Personnel											
13.00	351	Nursing Administration										
14.00	716	157	Central Services and Supply									
15.00	112	Pharmacy										
16.00	273	Medical Records & Library										
17.00	Social Service											
18.00	Other General Service (specify)											
19.00	Nonphysician Anesthetists											
20.00	Nursing School											
21.00	Intern & Res. Service-Salary & Fringes (Approved)											
22.00	Intern & Res. Other Program Costs (Approved)											
23.00	Paramedical Ed. Program (specify)											
23.01												
23.02												
INPATIENT ROUTINE COST CENTERS												
30.00	565	2,262	565	900	476	9,572		339,768				
31.00	Adults & Pediatrics (Gen Routine)											
32.00	Intensive Care Unit											
33.00	Coronary Care Unit											
34.00	Burn Intensive Care Unit											
35.00	Surgical Intensive Care Unit											
36.00	Other Special Care (specify)											
40.00	Subprovider - IPF											
41.00	Subprovider - IRF											
42.00	Subprovider (specify)											
43.00	Nursery											
44.00	6,355	64,540	6,355	33,252	3,013	47,435		3,257,284				
45.00	Skilled Nursing Facility											
46.00	Nursing Facility											
47.00	Other Long Term Care											

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

	OPER PLANT (SQ FT) 7.00 (Adj)	LAUNDRY & LINEN (LB LNDRY) 8.00 (Adj)	HOUSE-KEEPING (SQ FT) 9.00	DIETARY (MEALS SERVED) 10.00 (Adj 21, 22)	CAFETERIA (FTES) 11.00 (Adj)	MANT OF PERSONNEL 12.00 (Adj)	NURSING ADMIN (HRS OF SVC) 13.00 (Adj)	CENT SERV & SUPPLY (CSTD REQUIS) 14.00 (Adj)	PHARMACY (COST REQUIS) 15.00 (Adj)	MED REC (TOTAL REVENUE) 16.00 (Adj)	SOC SERV (TIME SPENT) 17.00 (Adj)	OTHER SVC (TIME SPENT) 18.00 (Adj)
ANCILLARY COST CENTERS												
50.00	Operating Room											
51.00	Recovery Room											
52.00	Labor Room and Delivery Room											
53.00	Anesthesiology											
54.00	968	1,500	968		531					1,798,177		
55.00	Radiology-Diagnostic											
56.00	Radiology-Therapeutic											
57.00	Radioisotope											
58.00	Computed Tomography (CT) Scan											
59.00	Magnetic Resonance Imaging (MRI)											
60.00	Cardiac Catheterization											
61.00	885		885		364					949,691		
61.00	PBP Clinical Laboratory Services-Program Only											
62.00	Whole Blood & Packed Red Blood Cells											
63.00	Blood Storing, Processing, & Trans.											
64.00	Intravenous Therapy											
65.00	30		30		3		63			351,646		
66.00	1,758	6,836	1,758		621		5,949			972,087		
67.00	Respiratory Therapy											
68.00	Physical Therapy											
69.00	Occupational Therapy											
70.00	Speech Pathology											
71.00	Electrocardiology											
72.00	Electroencephalography											
73.00	Medical Supplies Charged to Patients											
74.00	Implantable Devices Charged to Patients											
75.00	Drugs Charged to Patients											
76.00	Renal Dialysis											
77.00	ASC (Non-Distinct Part)											
78.00	Other Ancillary (specify)											
79.00												
80.00												
81.00												
82.00												
83.00												
84.00												
85.00												
86.00												
87.00												
87.01												
88.00	7,350	346	7,350		654		5,856			854,992		
88.00	Rural Health Clinic (RHC)											
89.00	Federally Qualified Health Center (FQHC)											
90.00	Clinic											
91.00	1,773	1,613	1,773		304		5,755			730,242		
92.00	Emergency											
93.00	Observation Beds											
93.00	MED. Transport											
93.01												
93.02												
93.03												
93.04												
93.05												
NONREIMBURSABLE COST CENTERS												
94.00	Home Program Dialysis											
95.00	Ambulance Services											
96.00	Durable Medical Equipment-Rented											
97.00	Durable Medical Equipment-Sold											
98.00	Other Reimbursable (specify)											
99.00	Outpatient Rehabilitation Provider (specify)											
100.00	Intern-Resident Service (not appvd. tchn. prgm.)											
101.00	Home Health Agency											

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

	OPER PLANT (SQ FT) 7.00 (Adj)	LAUNDRY & LINEN (LB LNDRY) 8.00 (Adj)	HOUSE- KEEPING (SQ FT) 9.00 (Adj)	DIETARY (MEALS SERVED) 10.00 (Adj 21, 22)	CAFETERIA (FTES) 11.00 (Adj)	MANT OF PERSONNEL 12.00 (Adj)	NURSING ADMIN (HRS OF SVC) 13.00 (Adj)	CENT SERV & SUPPLY (CSTD REQUIS) 14.00 (Adj)	PHARMACY (COST REQUIS) 15.00 (Adj)	MED REC (TOTAL REVENUE) 16.00 (Adj)	SOC SERV (TIME SPENT) 17.00 (Adj)	OTHER SVC (TIME SPENT) 18.00 (Adj)
105.00	Kidney Acquisition											
106.00	Heart Acquisition											
107.00	Liver Acquisition											
108.00	Lung Acquisition											
109.00	Pancreas Acquisition											
110.00	Intestinal Acquisition											
111.00	Islet Acquisition											
112.00	Other Organ Acquisition (specify)											
113.00	Interest Expense											
114.00	Utilization Review-SNF											
115.00	Ambulatory Surgical Center (Distinct Part)											
116.00	Hospice											
117.00	Other Special Purpose (specify)											
190.00	Gift, Flower, Coffee Shop, & Canteen											
191.00	Research											
192.00	Physicians' Private Offices											
193.00	Nonpaid Workers											
194.00	Non-Reimbursable Meals											
				1,285								
TOTAL	23,794	77,254	22,599	39,221	6,427	0	75,543	100	100	10,451,065	0	0
COST TO BE ALLOCATED	269,465	74,863	292,210	603,404	81,611	0	190,679	79,755	48,672	143,497	0	0
UNIT COST MULTIPLIER - SCH 8	11.324906	0.969054	12.930229	15.384730	12.698152	0.000000	2.524106	797.551540	486.715802	0.013730	0.000000	0.000000

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

NONPHY- SICIAN ANE	NURSING SCHOOL	I&R SVC&SAL	I&R OTHER PROG (ASG TIME)	PARAMEDICAL ED. PROG (ASG TIME)	STAT	STAT
19.00	20.00	21.00	22.00	23.00	23.01	23.02
(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)

GENERAL SERVICE COST CENTERS

- 1.00 Capital Related Costs-Buildings and Fixtures
- 2.00 Capital Related Costs-Movable Equipment
- 3.00 Other Capital Related Costs
- 3.01
- 3.02
- 3.03
- 3.04
- 3.05
- 3.06
- 3.07
- 3.08
- 3.09
- 4.00 Employee Benefits
- 5.01
- 5.02
- 5.03
- 5.04
- 5.05
- 5.06
- 5.07
- 5.08
- 5.00 Administrative and General
- 6.00 Maintenance and Repairs
- 7.00 Operation of Plant
- 8.00 Laundry and Linen Service
- 9.00 Housekeeping
- 10.00 Dietary
- 11.00 Cafeteria
- 12.00 Maintenance of Personnel
- 13.00 Nursing Administration
- 14.00 Central Services and Supply
- 15.00 Pharmacy
- 16.00 Medical Records & Library
- 17.00 Social Service
- 18.00 Other General Service (specify)
- 19.00 Nonphysician Anesthetists
- 20.00 Nursing School
- 21.00 Intern & Res. Service-Salary & Fringes (Approved)
- 22.00 Intern & Res. Other Program Costs (Approved)
- 23.00 Paramedical Ed. Program (specify)
- 23.01
- 23.02

INPATIENT ROUTINE COST CENTERS

- 30.00 Adults & Pediatrics (Gen Routine)
- 31.00 Intensive Care Unit
- 32.00 Coronary Care Unit
- 33.00 Burn Intensive Care Unit
- 34.00 Surgical Intensive Care Unit
- 35.00 Other Special Care (specify)
- 40.00 Subprovider - IPF
- 41.00 Subprovider - IRF
- 42.00 Subprovider (specify)
- 43.00 Nursery
- 44.00 Skilled Nursing Facility
- 45.00 Nursing Facility
- 46.00 Other Long Term Care
- 47.00

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

NONPHY- SICIAN ANE	NURSING SCHOOL	I&R SVC&SAL	I&R OTHER PROG (ASG TIME)	PARAMEDICAL ED. PROG (ASG TIME)	STAT	STAT
19.00	20.00	21.00	22.00	23.00	23.01	23.02
(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)

ANCILLARY COST CENTERS

- 50.00 Operating Room
- 51.00 Recovery Room
- 52.00 Labor Room and Delivery Room
- 53.00 Anesthesiology
- 54.00 Radiology-Diagnostic
- 55.00 Radiology-Therapeutic
- 56.00 Radioisotope
- 57.00 Computed Tomography (CT) Scan
- 58.00 Magnetic Resonance Imaging (MRI)
- 59.00 Cardiac Catheterization
- 60.00 Laboratory
- 61.00 PBP Clinical Laboratory Services-Program Only
- 62.00 Whole Blood & Packed Red Blood Cells
- 63.00 Blood Storing, Processing, & Trans.
- 64.00 Intravenous Therapy
- 65.00 Respiratory Therapy
- 66.00 Physical Therapy
- 67.00 Occupational Therapy
- 68.00 Speech Pathology
- 69.00 Electrocardiology
- 70.00 Electroencephalography
- 71.00 Medical Supplies Charged to Patients
- 72.00 Implantable Devices Charged to Patients
- 73.00 Drugs Charged to Patients
- 74.00 Renal Dialysis
- 75.00 ASC (Non-Distinct Part)
- 76.00 Other Ancillary (specify)
- 77.00
- 78.00
- 79.00
- 80.00
- 81.00
- 82.00
- 83.00
- 84.00
- 85.00
- 86.00
- 87.00
- 87.01
- 88.00 Rural Health Clinic (RHC)
- 89.00 Federally Qualified Health Center (FQHC)
- 90.00 Clinic
- 91.00 Emergency
- 92.00 Observation Beds
- 93.00 MED. Transport
- 93.01
- 93.02
- 93.03
- 93.04
- 93.05

NONREIMBURSABLE COST CENTERS

- 94.00 Home Program Dialysis
- 95.00 Ambulance Services
- 96.00 Durable Medical Equipment-Rented
- 97.00 Durable Medical Equipment-Sold
- 98.00 Other Reimbursable (specify)
- 99.00 Outpatient Rehabilitation Provider (specify)
- 100.00 Intern-Resident Service (not appvd. tchng. prgm.)
- 101.00 Home Health Agency

TRIAL BALANCE OF EXPENSES

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	GENERAL SERVICE COST CENTERS			
1.00	Capital Related Costs-Buildings and Fixtures	\$ 46,077	\$ 3,814	\$ 49,891
2.00	Capital Related Costs-Movable Equipment	208,581	116,439	325,020
3.00	Other Capital Related Costs		0	0
3.01			0	0
3.02			0	0
3.03			0	0
3.04			0	0
3.05			0	0
3.06			0	0
3.07			0	0
3.08			0	0
3.09			0	0
4.00	Employee Benefits	1,034,657	(2,734)	1,031,923
5.01			0	0
5.02			0	0
5.03			0	0
5.04			0	0
5.05			0	0
5.06			0	0
5.07			0	0
5.08			0	0
5.00	Administrative and General	1,117,096	(215,056)	902,040
6.00	Maintenance and Repairs	351,147	(79,036)	272,111
7.00	Operation of Plant	159,585	22,080	181,665
8.00	Laundry and Linen Service	33,982	(8,813)	25,169
9.00	Housekeeping	199,691	(3,733)	195,958
10.00	Dietary	396,470	(688)	395,782
11.00	Cafeteria		0	0
12.00	Maintenance of Personnel		0	0
13.00	Nursing Administration	171,017	(55,994)	115,023
14.00	Central Services and Supply	31,239	(4,260)	26,979
15.00	Pharmacy	28,105	(4,042)	24,063
16.00	Medical Records & Library	92,382	210	92,592
17.00	Social Service		0	0
18.00	Other General Service (specify)		0	0
19.00	Nonphysician Anesthetists		0	0
20.00	Nursing School		0	0
21.00	Intern & Res. Service-Salary & Fringes (Approved)		0	0
22.00	Intern & Res. Other Program Costs (Approved)		0	0
23.00	Paramedical Ed. Program (specify)		0	0
23.01			0	0
23.02			0	0
	INPATIENT ROUTINE COST CENTERS			
30.00	Adults & Pediatrics (Gen Routine)	379,601	(4,418)	375,183
31.00	Intensive Care Unit		0	0
32.00	Coronary Care Unit		0	0
33.00	Burn Intensive Care Unit		0	0
34.00	Surgical Intensive Care Unit		0	0
35.00	Other Special Care (specify)		0	0
40.00	Subprovider - IPF		0	0
41.00	Subprovider - IRF		0	0
42.00	Subprovider (specify)		0	0
43.00	Nursery		0	0
44.00	Skilled Nursing Facility	1,157,049	(3,028)	1,154,021
45.00	Nursing Facility		0	0
46.00	Other Long Term Care		0	0
47.00			0	0

TRIAL BALANCE OF EXPENSES

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	ANCILLARY COST CENTERS			
50.00	Operating Room	\$	\$ 0	\$ 0
51.00	Recovery Room		0	0
52.00	Labor Room and Delivery Room		0	0
53.00	Anesthesiology		0	0
54.00	Radiology-Diagnostic	440,591	(29,355)	411,236
55.00	Radiology-Therapeutic		0	0
56.00	Radioisotope		0	0
57.00	Computed Tomography (CT) Scan		0	0
58.00	Magnetic Resonance Imaging (MRI)		0	0
59.00	Cardiac Catheterization		0	0
60.00	Laboratory	459,481	(35,476)	424,005
61.00	PBP Clinical Laboratory Services-Program Only		0	0
62.00	Whole Blood & Packed Red Blood Cells	14,985	6,002	20,987
63.00	Blood Storing, Processing, & Trans.		0	0
64.00	Intravenous Therapy		0	0
65.00	Respiratory Therapy	2,850	(113)	2,737
66.00	Physical Therapy	289,000	(10,397)	278,603
67.00	Occupational Therapy		0	0
68.00	Speech Pathology		0	0
69.00	Electrocardiology		0	0
70.00	Electroencephalography		0	0
71.00	Medical Supplies Charged to Patients	119,236	0	119,236
72.00	Implantable Devices Charged to Patients	0	0	0
73.00	Drugs Charged to Patients	44,507	3,524	48,031
74.00	Renal Dialysis		0	0
75.00	ASC (Non-Distinct Part)		0	0
76.00	Other Ancillary (specify)		0	0
77.00			0	0
78.00			0	0
79.00			0	0
80.00			0	0
81.00			0	0
82.00			0	0
83.00			0	0
84.00			0	0
85.00			0	0
86.00			0	0
87.00			0	0
87.01			0	0
88.00	Rural Health Clinic (RHC)	550,398	(3,113)	547,285
89.00	Federally Qualified Health Center (FQHC)		0	0
90.00	Clinic		0	0
91.00	Emergency	331,928	(10,286)	321,642
92.00	Observation Beds		0	0
93.00	MED. Transport	11,305	0	11,305
93.01			0	0
93.02			0	0
93.03			0	0
93.04			0	0
93.05			0	0
	SUBTOTAL	\$ 7,670,960	\$ (318,473)	\$ 7,352,487
	NONREIMBURSABLE COST CENTERS			
94.00	Home Program Dialysis		0	0
95.00	Ambulance Services		0	0
96.00	Durable Medical Equipment-Rented		0	0
97.00	Durable Medical Equipment-Sold		0	0

TRIAL BALANCE OF EXPENSES

Provider Name:
SOUTHERN INYO HOSPITAL

Fiscal Period Ended:
JUNE 30, 2012

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
98.00	Other Reimbursable (specify)		0	0
99.00	Outpatient Rehabilitation Provider (specify)		0	0
100.00	Intern-Resident Service (not appvd. tchnng. prgm.)		0	0
101.00	Home Health Agency		0	0
105.00	Kidney Acquisition		0	0
106.00	Heart Acquisition		0	0
107.00	Liver Acquisition		0	0
108.00	Lung Acquisition		0	0
109.00	Pancreas Acquisition		0	0
110.00	Intestinal Acquisition		0	0
111.00	Islet Acquisition		0	0
112.00	Other Organ Acquisition (specify)		0	0
113.00	Interest Expense		0	0
114.00	Utilization Review-SNF		0	0
115.00	Ambulatory Surgical Center (Distinct Part)		0	0
116.00	Hospice		0	0
117.00	Other Special Purpose (specify)		0	0
190.00	Gift, Flower, Coffee Shop, & Canteen		0	0
191.00	Research		0	0
192.00	Physicians' Private Offices		0	0
193.00	Nonpaid Workers		0	0
194.00	Non-Reimbursable Meals		0	0
			0	0
			0	0
			0	0
	SUBTOTAL	\$ 0	\$ 0	\$ 0
200	TOTAL	\$ 7,670,960	\$ (318,473)	\$ 7,352,487

(To Schedule 8)

Provider Name							Fiscal Period			Provider NPI		Adjustments
SOUTHERN INYO HOSPITAL							JULY 1, 2011 THROUGH JUNE 30, 2012			1831128602		36
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
<u>MEMORANDUM ADJUSTMENT</u>												
1	1	E-3	VII	XIX	42.00	1	Total Medi-Cal Settlement Due Provider (State) To correct the provider's mathematical error. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$19,856	(\$13,528)	\$6,328	

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References										
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
		Work Sheet	Part	Title	Line	Col.				
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>										
2	10A	A			5.00	7	Administrative and General	\$1,117,096	\$6,986	\$1,124,082 *
	10A	A			1.00	7	Capital Related Costs-Buildings and Fixtures To reverse the provider's reclassification of auto insurance for proper cost determination and consistency. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	46,077	(6,986)	39,091 *
3	10A	A			73.00	7	Drugs Charged to Patients	\$44,507	\$3,524	\$48,031
	10A	A			44.00	7	Skilled Nursing Facility To adjust the provider's reclassification of Drugs Charged to Patients to agree with the trial balance. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300, 2304 and 2306	1,157,049	(3,524)	1,153,525 *
4	10A	A			7.00	7	Operation of Plant	\$159,585	\$22,080	\$181,665
	10A	A			6.00	7	Maintenance and Repairs To adjust the provider's reclassification to agree with the general ledger. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300, 2304 and 2306	351,147	(22,080)	329,067 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>										
5	10A	A		10.00	7	Dietary		\$396,470	\$3,576	\$400,046 *
	10A	A		13.00	7	Nursing Administration		171,017	2,085	173,102 *
	10A	A		16.00	7	Medical Records & Medical Records Library		92,382	531	92,913 *
	10A	A		44.00	7	Skilled Nursing Facility	*	1,153,525	8,656	1,162,181 *
	10A	A		54.00	7	Radiology-Diagnostic		440,591	2,241	442,832 *
	10A	A		60.00	7	Laboratory		459,481	8,030	467,511 *
	10A	A		66.00	7	Physical Therapy		289,000	1,734	290,734 *
	10A	A		88.00	7	Rural Health Clinic (RHC)		550,398	2,532	552,930 *
	10A	A		91.00	7	Emergency		331,928	327	332,255 *
	10A	A		4.00	7	Employee Benefits		1,034,657	(5,020)	1,029,637 *
	10A	A		5.00	7	Administrative and General	*	1,124,082	(1,044)	1,123,038 *
	10A	A		6.00	7	Maintenance and Repairs	*	329,067	(2,485)	326,582 *
	10A	A		8.00	7	Laundry and Linen Service		33,982	(5,113)	28,869 *
	10A	A		9.00	7	Housekeeping		199,691	(2,416)	197,275 *
	10A	A		14.00	7	Central Services and Supply		31,239	(5,104)	26,135 *
	10A	A		15.00	7	Pharmacy		28,105	(5,072)	23,033 *
	10A	A		30.00	7	Adults and Pediatrics		379,601	(3,458)	376,143 *
							To adjust the provider's reclassifications to agree with the general ledger.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300 and 2304			
6	10A	A		5.00	7	Administrative and General	*	\$1,123,038	\$51,274	\$1,174,312 *
	10A	A		13.00	7	Nursing Administration	*	173,102	(51,274)	121,828 *
							To reclassify on-call nurses expenses for proper matching of abated revenue against the proper cost center.			
							42 CFR 413.5, 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2304, 2306 and 2328			

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>										
7	10A	A		1.00	7	Capital Related Costs-Buildings and Fixtures	*	\$39,091	\$10,800	\$49,891
	10A	A		2.00	7	Capital Related Costs-Movable Equipment		208,581	177,261	385,842 *
	10A	A		5.00	7	Administrative and General	*	1,174,312	(80,805)	1,093,507 *
	10A	A		6.00	7	Maintenance and Repairs	*	326,582	(43,165)	283,417 *
	10A	A		8.00	7	Laundry and Linen Service	*	28,869	(4,539)	24,330 *
	10A	A		54.00	7	Radiology-Diagnostic	*	442,832	(15,380)	427,452 *
	10A	A		60.00	7	Laboratory	*	467,511	(26,255)	441,256 *
	10A	A		66.00	7	Physical Therapy	*	290,734	(7,117)	283,617 *
	10A	A		91.00	7	Emergency	*	332,255	(10,800)	321,455 *
To reclassify building and equipment rental expenses to the appropriate cost centers for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub.15-1, Sections 2300, 2307 and 2304										

*Balance carried forward from prior/to subsequent adjustments

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
8	10A	A		4.00	7	Employee Benefits	*	\$1,029,637	\$2,286	\$1,031,923
	10A	A		5.00	7	Administrative and General	*	1,093,507	41,420	1,134,927 *
	10A	A		6.00	7	Maintenance and Repairs	*	283,417	(1,164)	282,253 *
	10A	A		8.00	7	Laundry and Linen Service	*	24,330	839	25,169
	10A	A		9.00	7	Housekeeping	*	197,275	(1,317)	195,958
	10A	A		10.00	7	Dietary	*	400,046	(6,557)	393,489 *
	10A	A		13.00	7	Nursing Administration	*	121,828	(6,805)	115,023
	10A	A		14.00	7	Central Services and Supply	*	26,135	844	26,979
	10A	A		15.00	7	Pharmacy	*	23,033	1,030	24,063
	10A	A		16.00	7	Medical Records & Medical Records Library	*	92,913	(321)	92,592
	10A	A		30.00	7	Adults and Pediatrics	*	376,143	(960)	375,183
	10A	A		44.00	7	Skilled Nursing Facility	*	1,162,181	(7,650)	1,154,531 *
	10A	A		54.00	7	Radiology-Diagnostic	*	427,452	(5,784)	421,668 *
	10A	A		60.00	7	Laboratory	*	441,256	(11,289)	429,967 *
	10A	A		62.00	7	Whole Blood & Packed Red Blood Cells		14,985	6,002	20,987
	10A	A		65.00	7	Respiratory Therapy		2,850	(113)	2,737
	10A	A		66.00	7	Physical Therapy	*	283,617	(5,014)	278,603
	10A	A		88.00	7	Rural Health Clinic (RHC)	*	552,930	(5,645)	547,285
	10A	A		91.00	7	Emergency	*	321,455	187	321,642
						To adjust reported expenses to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
9	10A	A		5.00	7	Administrative and General	*	\$1,134,927	(\$25,746)	\$1,109,181 *
	10A	A		6.00	7	Maintenance and Repairs	*	282,253	(10,142)	272,111
	10A	A		54.00	7	Radiology-Diagnostic	*	421,668	(10,432)	411,236
	10A	A		60.00	7	Laboratory	*	429,967	(5,962)	424,005
						To adjust the provider's elimination of lease expenses for virtual purchased equipment to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name				Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL				JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
ADJUSTMENTS TO REPORTED COSTS											
	10A	A			2.00	7	Capital Related Costs-Movable Equipment	*	\$385,842		
10							To eliminate depreciation expense on assets that are also included in the virtual purchase lease agreements. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 108, 110, 2300 and 2304			(\$22,533)	
11							To eliminate depreciation expenses on assets that had been fully depreciated in the prior year. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 108, 110, 2300 and 2304			(11,572)	
12							To eliminate depreciation expense for a new asset "Portable Radio Caches" that was paid by the Hospital Preparedness Program. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 612.1, 2300 and 2304			(2,796)	
13							To eliminate depreciation expense for assets that are not actual costs to the provider and are reimbursable by the CMS incentive program. 42 CFR 413.9, 413.98, 413.20, 413.24 and 495.308 CMS Pub. 15-1, Sections 2300, 2302.5 and 2304 CMS Pub. 15-2, Section 4016			<u>(23,921)</u> (\$60,822)	\$325,020
14	10A	A			44.00	7	Skilled Nursing Facility To eliminate expenses not related to the facility. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2300, 2304 and 2306	*	\$1,154,531	(\$510)	\$1,154,021

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
SOUTHERN INYO HOSPITAL							JULY 1, 2011 THROUGH JUNE 30, 2012			1831128602		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED COSTS												
	10A	A			5.00	7	Administrative and General	*	\$1,109,181			
15							To eliminate non-allowable late fees. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2105.10, 2300 and 2304			(\$794)		
16							To eliminate non-allowable sale tax expenses. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2122.2G, 2300 and 2304			(1,402)		
17							To eliminate non-allowable interest expenses. 42 CFR 413.9(c)(3), 413.20, 413.24 and 413.153 CMS Pub. 15-1, Sections 202.2 and 2102.3			(21,361)		
18							To eliminate EHR expenses that are not actual costs to the provider and are reimbursable by the CMS incentive program. 42 CFR 413.9, 413.98, 413.20, 413.24 and 495.308 CMS Pub. 15-1, Sections 2300, 2302.5 and 2304 CMS Pub. 15-2, Section 4016			<u>(183,584)</u> (\$207,141)	\$902,040	
19	10A	A			10.00	7	Dietary To reverse the provider's abatement of guest meals revenue. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2105.2, 2306 and 2328	*	\$393,489	\$2,293	\$395,782	

*Balance carried forward from prior/to subsequent adjustments

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED STATISTICS										
20	9	B-1		5.00	4	Administrative and General (Gross Salaries)	738,246	(64,525)	673,721	
	9	B-1		6.00	4	Maintenance and Repairs	198,874	(20,757)	178,117	
	9	B-1		8.00	4	Laundry and Linen Service	19,196	(721)	18,475	
	9	B-1		9.00	4	Housekeeping	171,588	(11,490)	160,098	
	9	B-1		10.00	4	Dietary	273,234	(18,221)	255,013	
	9	B-1		13.00	4	Nursing Administration	110,107	(1,166)	108,941	
	9	B-1		14.00	4	Central Services and Supply	23,495	(1,579)	21,916	
	9	B-1		15.00	4	Pharmacy	36,503	(654)	35,849	
	9	B-1		16.00	4	Medical Records & Medical Records Library	61,428	(6,213)	55,215	
	9	B-1		30.00	4	Adults and Pediatrics	199,928	(11,566)	188,362	
	9	B-1		44.00	4	Skilled Nursing Facility	1,022,806	(40,502)	982,304	
	9	B-1		54.00	4	Radiology-Diagnostic	221,106	(10,868)	210,238	
	9	B-1		60.00	4	Laboratory	308,129	(23,411)	284,718	
	9	B-1		66.00	4	Physical Therapy	264,890	(16,771)	248,119	
	9	B-1		88.00	4	Rural Health Clinic (RHC)	332,663	(11,930)	320,733	
	9	B-1		91.00	4	Emergency	134,931	518	135,449	
	9	B-1		4.00	4	Total - Gross Salaries	4,127,453	(239,856)	3,887,597	
To eliminate PTO salaries statistics for proper overhead allocation. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306										

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED STATISTICS										
21	9	B-1			11.00	10	Cafeteria (Meals Served)	6,069	(2,285)	3,784
	9	B-1			194.00	10	Non-Reimbursable Meals	0	1,285	1,285
	9	B-1			10.00	10	Total - Meals Served	40,691	(1,000)	39,691 *
							To establish guest meals statistics for a nonreimbursable cost center and to adjust employee meals statistics to agree with the meals served records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2105.2, 2304 and 2328			
22	9	B-1			44.00	10	Skilled Nursing Facility (Meals Served)	33,722	(470)	33,252
	9	B-1			10.00	10	Total - Meals Served	* 39,691	(470)	39,221
							To adjust statistics for meals served to SNF residents to agree with the census records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

*Balance carried forward from prior/to subsequent adjustments

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SOUTHERN INYO HOSPITAL							JULY 1, 2011 THROUGH JUNE 30, 2012	1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
<u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u>											
23	4	D-1		XIX	1.00	1	Total Inpatient Days	296	53	349	
	4	D-1		XIX	4.00	1	Semi-Private Room Days	263	33	296	
							To adjust total patient days to agree with the census records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
24	DPNF1	D-1	1	XIX	1.00	1	Total Distinct Part Patient Days	11,138	149	11,287	
							To adjust DPNF patient days to agree with the census records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
	DPNF1	D-1	1	XIX	9.00	1	Medi-Cal Inpatient Days - Skilled Nursing Facility	10,191			
25										288	
							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: 07/01/2011 through 6/30/2012 Payment Period: 07/01/2011 through 07/31/2013 Report Date: 08/22/2013 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				
26										(2) 286	10,477
							To adjust Medi-Cal Nursing Facility days for the day of death and the day after death. 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				

Provider Name			Fiscal Period				Provider NPI		Adjustments	
SOUTHERN INYO HOSPITAL			JULY 1, 2011 THROUGH JUNE 30, 2012				1831128602		36	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report								
		Work Sheet	Part	Title	Line	Col.				
<u>ADJUSTMENT TO REPORTED TOTAL CHARGES</u>										
27	DPNF4	D-3			54.00	2	DPNF Ancillary Charges - Radiology-Diagnostic	\$3,776	(\$3,776)	\$0
	DPNF4	D-3			60.00	2	DPNF Ancillary Charges - Laboratory	698	(698)	0
	DPNF4	D-3			71.00	2	DPNF Ancillary Charges - Medical Supplies Charged to Patients	248,185	(36,208)	211,977
	DPNF4	D-3			73.00	2	DPNF Ancillary Charges - Drugs Charged to Patients	18,806	(17,592)	1,214
	DPNF4	D-3			200.00	2	DPNF Ancillary Charges - Total	443,960	(58,274)	385,686
							To eliminate DPNF ancillary charges not related to DPNF residents, not included in the rate and due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

Provider Name							Fiscal Period			Provider NPI		Adjustments
SOUTHERN INYO HOSPITAL							JULY 1, 2011 THROUGH JUNE 30, 2012			1831128602		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT												
28	3	E-3	III	XIX	33.00	1	Deductibles To include patient liability in the settlement to agree with the provider's records and due to lack of documentation. 42 CFR 413.5, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2408	\$0	\$1,823	\$1,823		
29	6	D-3	III	XIX	54.00	2	Medi-Cal Ancillary Charges - Radiology - Diagnostic	\$1,193	(\$300)	\$893		
	6	D-3	III	XIX	202.00	2	Medi-Cal Ancillary Charges - Total	20,324	(300)	20,024		
30	2	E-3	III	XIX	9.00	1	Medi-Cal Ancillary Charges - Total To eliminate ancillary charges of physician services for proper matching of revenue and expense. 42 CFR 413.5, 413.20, 413.24, 413.50 and 413.53 CMS Pub. 15-1, Sections 2102, 2202.4, 2206, 2300, 2302.6, 2304 and 2306	\$20,324	(\$300)	\$20,024		
31	4	D-1	I	XIX	8.00	1	Medi-Cal NF Swing-Bed Days after July 31, 2010 To adjust reported swing bed days to agree with the provider's records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304, 2230.5B and 2304	0	20	20		
32	4	D-1	I	XIX	17.00	1	Medicare SNF/NF Swing-Bed through December 31	\$0	\$1,678.72	\$1,678.72		
	4	D-1	I	XIX	18.00	1	Medicare SNF/NF Swing-Bed after December 31 To include Medicare swing-bed rates to agree with the critical access hospital reimbursement methodology for proper cost determination. 42 CFR 413.20, 413.24 and 413.53 CMS Pub. 15-1, Section 2230.5 CMS Pub. 15-2, Section 4025.1	0	1,678.72	1,678.72		

Provider Name							Fiscal Period			Provider NPI		Adjustments
SOUTHERN INYO HOSPITAL							JULY 1, 2011 THROUGH JUNE 30, 2012			1831128602		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT												
33	4	D-1	I	XIX	19.00	1	Medi-Cal NF Swing-Bed Rates through July 31, 2010	\$185.96	\$119.19	\$305.15		
	4	D-1	I	XIX	20.00	1	Medi-Cal NF Swing-Bed Rates After July 31, 2010 To adjust Medi-Cal swing bed rates for proper cost determination. 42 CFR 413.53 CMS Pub. 15-1, Section 2230.5 CMS Pub. 15-2, Section 4025.1	185.96	121.29	307.25		

Provider Name							Fiscal Period			Provider NPI		Adjustments
SOUTHERN INYO HOSPITAL							JULY 1, 2011 THROUGH JUNE 30, 2012			1831128602		36
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
<u>ADJUSTMENTS TO OTHER MATTERS</u>												
34	1	N/A	Medi-Cal Overpayments 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					\$0	\$7,667	\$7,667		
	DPNF 1	N/A	Medi-Cal Overpayments					\$0				
35			To recover Medi-Cal overpayments for the day of death and the day beyond death. CMS Pub. 15-1, Sections 2205.1 and 2409.3 CCR, Title 22, Section 51458.1						\$457			
36			To recover Medi-Cal overpayments because the share of cost was not properly deducted from the amount billed and due to insufficient documentation. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1						<u>4,810</u> \$5,267	\$5,267		