

**REPORT
ON THE
HOME OFFICE AUDIT**

**P&M MANAGEMENT, INC.
FONTANA, CALIFORNIA**

**FISCAL PERIOD ENDED
DECEMBER 31, 2012**

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

**Section Chief: Julio M. Cueto
Audit Supervisor: Bina Matani
Auditor: Mandy Ho**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

April 22, 2014

MaryLynn Mahan
Chief Financial Officer
P&M Management, Inc.
16742 Orange Way
Fontana, CA 92335

P&M MANAGEMENT, INC.
FISCAL PERIOD ENDED DECEMBER 31, 2012

We have examined the Medi-Cal Home Office Cost Report for the fiscal period ended December 31, 2012. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the Summary of Audited Home Office Costs to Health Care Facilities represents a proper determination of home office allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles. The audited home office cost will be incorporated, by separate adjustment, into each applicable facility audit report.

This audit report includes the:

1. Summary of Audited Home Office Costs to Health Care Facilities and Supporting Schedules
2. Audit Adjustments Schedule

If you disagree with the decision of the Department, the results of the home office audit may only be appealed through each individual facility's audit report. Please refer to the appeal instructions in each facility's audit report.

MaryLynn Mahan
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If you have questions regarding this report, you may call the Audits Section—Rancho Cucamonga at (909) 481-3420.

Original Signed By

Julio M. Cueto, Chief
Audits Section—Rancho Cucamonga
Financial Audits Branch

Certified

cc: Bruce Burg, CPA
Gorelick & Uslaner, CPAs
15260 Ventura Boulevard, Suite 1705
Sherman Oaks, CA 91403

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SUMMARY OF AUDITED HOME OFFICE CAPITAL AND NONCAPITAL RELATED COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		CAPITAL RELATED (SCHEDULE 3) 1	NONCAPITAL RELATED (SCHEDULE 3-1) 2	TOTAL AUDITED H.O. COSTS (COLUMN 1 + 2) 3	
		FROM	TO				
<u>HEALTH CARE FACILITIES</u>							
1.	HOLIDAY MANOR	1710082193	01/01/12	12/31/12	\$8,963	\$108,229	\$117,192
2.	RANCHO MESA CARE CENTER	1366558827	01/01/12	12/31/12	5,985	72,266	78,251
3.	VILLA MESA CARE CENTER	1588770929	01/01/12	12/31/12	11,488	138,727	150,215
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	01/01/12	12/31/12	30,230	365,040	395,270
5.	MESA GLEN CARE CENTER	1932215100	01/01/12	12/31/12	9,079	109,947	119,026
6.	ASISSTENCIA VILLA	1053423749	01/01/12	12/31/12	13,322	160,864	174,185
7.		0			0	0	0
8.		0			0	0	0
9.		0			0	0	0
10.		0			0	0	0
11.		0			0	0	0
12.		0			0	0	0
13.		0			0	0	0
14.		0			0	0	0
15.		0			0	0	0
16.		0			0	0	0
17.		0			0	0	0
18.		0			0	0	0
19.		0			0	0	0
20.		0			0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

\$79,066 \$955,072 \$1,034,138

OTHER COMPONENTS

21.	VILLA MESA CARE CENTER - RESIDENTIAL	0			\$1,093	\$13,198	\$14,291
22.		0			0	0	0
23.		0			0	0	0
24.		0			0	0	0
25.		0			0	0	0
26.		0			0	0	0
27.		0			0	0	0
28.		0			0	0	0
29.		0			0	0	0
30.		0			0	0	0
31.		0			0	0	0
32.		0			0	0	0
33.		0			0	0	0
34.		0			0	0	0
35.		0			0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

\$1,093 \$13,198 \$14,291

GRAND TOTAL

\$80,159 \$968,270 \$1,048,429

COMPARISON OF REPORTED AND AUDITED HOME OFFICE COSTS

HOME OFFICE NAME:
P&M MANAGEMENT, INC.FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		REPORTED HOME OFFICE COSTS (SCH. 9) 1	AUDITED H.O. COSTS (SCH. 3 & 3-1) 2	VARIANCE (COLUMN 2-1) 3	
		FROM	TO				
<u>HEALTH CARE FACILITIES</u>							
1.	HOLIDAY MANOR	1710082193	01/01/12	12/31/12	\$134,371	\$117,192	(\$17,179)
2.	RANCHO MESA CARE CENTER	1366558827	01/01/12	12/31/12	89,722	78,251	(11,472)
3.	VILLA MESA CARE CENTER	1588770929	01/01/12	12/31/12	172,236	150,215	(22,021)
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	01/01/12	12/31/12	453,215	395,270	(57,946)
5.	MESA GLEN CARE CENTER	1932215100	01/01/12	12/31/12	136,116	119,026	(17,090)
6.	ASISSTENCIA VILLA	1053423749	01/01/12	12/31/12	199,720	174,185	(25,535)
7.		0			0	0	0
8.		0			0	0	0
9.		0			0	0	0
10.		0			0	0	0
11.		0			0	0	0
12.		0			0	0	0
13.		0			0	0	0
14.		0			0	0	0
15.		0			0	0	0
16.		0			0	0	0
17.		0			0	0	0
18.		0			0	0	0
19.		0			0	0	0
20.		0			0	0	0
SUBTOTAL (LINES 1 THROUGH 20)					\$1,185,380	\$1,034,138	(\$151,242)
<u>OTHER COMPONENTS</u>							
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0			\$16,385	\$14,291	(\$2,094)
22.		0			0	0	0
23.		0			0	0	0
24.		0			0	0	0
25.		0			0	0	0
26.		0			0	0	0
27.		0			0	0	0
28.		0			0	0	0
29.		0			0	0	0
30.		0			0	0	0
31.		0			0	0	0
32.		0			0	0	0
33.		0			0	0	0
34.		0			0	0	0
35.		0			0	0	0
SUBTOTAL (LINES 21 THROUGH 35)					\$16,385	\$14,291	(\$2,094)
GRAND TOTAL					\$1,201,765	\$1,048,429	(\$153,336)

SUMMARY ALLOCATION OF HOME OFFICE COSTS - CAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT CAPITAL COSTS (SCHEDULE 7) 1	FUNCTIONAL CAPITAL COSTS (SCHEDULE 5) 2	POOLED CAPITAL COSTS (SCHEDULE 4) 3	TOTAL CAPITAL COSTS (COL. 1 TO 3)	
		FROM	TO					
<u>HEALTH CARE FACILITIES</u>								
1.	HOLIDAY MANOR	1710082193	01/01/12	12/31/12	\$0	\$0	\$8,963	\$8,963
2.	RANCHO MESA CARE CENTER	1366558827	01/01/12	12/31/12	0	0	5,985	5,985
3.	VILLA MESA CARE CENTER	1588770929	01/01/12	12/31/12	0	0	11,488	11,488
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	01/01/12	12/31/12	0	0	30,230	30,230
5.	MESA GLEN CARE CENTER	1932215100	01/01/12	12/31/12	0	0	9,079	9,079
6.	ASISSTENCIA VILLA	1053423749	01/01/12	12/31/12	0	0	13,322	13,322
7.		0			0	0	0	0
8.		0			0	0	0	0
9.		0			0	0	0	0
10.		0			0	0	0	0
11.		0			0	0	0	0
12.		0			0	0	0	0
13.		0			0	0	0	0
14.		0			0	0	0	0
15.		0			0	0	0	0
16.		0			0	0	0	0
17.		0			0	0	0	0
18.		0			0	0	0	0
19.		0			0	0	0	0
20.		0			0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)					\$0	\$0	\$79,066	\$79,066
<u>OTHER COMPONENTS</u>								
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0			\$0	\$0	\$1,093	\$1,093
22.		0			0	0	0	0
23.		0			0	0	0	0
24.		0			0	0	0	0
25.		0			0	0	0	0
26.		0			0	0	0	0
27.		0			0	0	0	0
28.		0			0	0	0	0
29.		0			0	0	0	0
30.		0			0	0	0	0
31.		0			0	0	0	0
32.		0			0	0	0	0
33.		0			0	0	0	0
34.		0			0	0	0	0
35.		0			0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)					\$0	\$0	\$1,093	\$1,093
GRAND TOTAL					\$0	\$0	\$80,159	\$80,159

(To Schedule 1 & 2)

SUMMARY ALLOCATION OF HOME OFFICE COSTS - NONCAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT COSTS (SCH. 7-1) 1	FUNCTIONAL COSTS (SCH. 5-1) 2	POOLED COSTS (SCH. 4) 3	TOTAL NONCAPITAL COSTS (COL. 1 TO 3)	
		FROM	TO					
<u>HEALTH CARE FACILITIES</u>								
1.	HOLIDAY MANOR	1710082193	01/01/12	12/31/12	\$0	\$0	\$108,229	\$108,229
2.	RANCHO MESA CARE CENTER	1366558827	01/01/12	12/31/12	0	0	72,266	72,266
3.	VILLA MESA CARE CENTER	1588770929	01/01/12	12/31/12	0	0	138,727	138,727
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	01/01/12	12/31/12	0	0	365,040	365,040
5.	MESA GLEN CARE CENTER	1932215100	01/01/12	12/31/12	313	0	109,634	109,947
6.	ASISSTENCIA VILLA	1053423749	01/01/12	12/31/12	0	0	160,864	160,864
7.		0			0	0	0	0
8.		0			0	0	0	0
9.		0			0	0	0	0
10.		0			0	0	0	0
11.		0			0	0	0	0
12.		0			0	0	0	0
13.		0			0	0	0	0
14.		0			0	0	0	0
15.		0			0	0	0	0
16.		0			0	0	0	0
17.		0			0	0	0	0
18.		0			0	0	0	0
19.		0			0	0	0	0
20.		0			0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)					\$313	\$0	\$954,759	\$955,072
<u>OTHER COMPONENTS</u>								
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0			\$0	\$0	\$13,198	\$13,198
22.		0			0	0	0	0
23.		0			0	0	0	0
24.		0			0	0	0	0
25.		0			0	0	0	0
26.		0			0	0	0	0
27.		0			0	0	0	0
28.		0			0	0	0	0
29.		0			0	0	0	0
30.		0			0	0	0	0
31.		0			0	0	0	0
32.		0			0	0	0	0
33.		0			0	0	0	0
34.		0			0	0	0	0
35.		0			0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)					\$0	\$0	\$13,198	\$13,198
GRAND TOTAL					\$313	\$0	\$967,957	\$968,270

(To Schedule 1 & 2)

POOLED ALLOCATION OF HOME OFFICE COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	TOTAL COST (SCH. G, COL. 1) 1	CAPITAL (SCH. 8) 2	NONCAPITAL (SCH. 8) 3	TOTAL POOLED (COL. 2 + 3) 4	
HEALTH CARE FACILITIES						
1.	HOLIDAY MANOR	1710082193	\$5,475,963	\$8,963	\$108,229	\$117,192
2.	RANCHO MESA CARE CENTER	1366558827	3,656,382	5,985	72,266	78,251
3.	VILLA MESA CARE CENTER	1588770929	7,019,045	11,488	138,727	150,215
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	18,469,601	30,230	365,040	395,270
5.	MESA GLEN CARE CENTER	1932215100	5,547,069	9,079	109,634	118,713
6.	ASISSTENCIA VILLA	1053423749	8,139,085	13,322	160,864	174,185
7.		0	0	0	0	0
8.		0	0	0	0	0
9.		0	0	0	0	0
10.		0	0	0	0	0
11.		0	0	0	0	0
12.		0	0	0	0	0
13.		0	0	0	0	0
14.		0	0	0	0	0
15.		0	0	0	0	0
16.		0	0	0	0	0
17.		0	0	0	0	0
18.		0	0	0	0	0
19.		0	0	0	0	0
20.		0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)			\$48,307,145	\$79,066	\$954,759	\$1,033,825

OTHER COMPONENTS						
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	\$667,755	\$1,093	\$13,198	\$14,291
22.		0	0	0	0	0
23.		0	0	0	0	0
24.		0	0	0	0	0
25.		0	0	0	0	0
26.		0	0	0	0	0
27.		0	0	0	0	0
28.		0	0	0	0	0
29.		0	0	0	0	0
30.		0	0	0	0	0
31.		0	0	0	0	0
32.		0	0	0	0	0
33.		0	0	0	0	0
34.		0	0	0	0	0
35.		0	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)	\$667,755	\$1,093	\$13,198	\$14,291
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GRAND TOTAL	\$48,974,900	\$80,159	\$967,957	\$1,048,116
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(To Schedule 3) (To Schedule 3-1)

MULTIPLIER	0.001637	0.019764
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FUNCTIONAL ALLOCATION OF EXPENSES TO
CHAIN COMPONENTS - CAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	Old Cap. Related- Buildings & 1.00	1.01	Old Cap. Related- Movable 2.00	2.01	New Cap. Related- Buildings & 4.00	Int. Exp. - New Cap. Bldg & Fix 4.01
HEALTH CARE FACILITIES							
1.	HOLIDAY MANOR	1710082193	\$0	\$0	\$0	\$0	\$0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0	0
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0	0
7.		0	0	0	0	0	0
8.		0	0	0	0	0	0
9.		0	0	0	0	0	0
10.		0	0	0	0	0	0
11.		0	0	0	0	0	0
12.		0	0	0	0	0	0
13.		0	0	0	0	0	0
14.		0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)			\$0	\$0	\$0	\$0	\$0
OTHER COMPONENTS							
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	\$0	\$0	\$0	\$0	\$0
22.		0	0	0	0	0	0
23.		0	0	0	0	0	0
24.		0	0	0	0	0	0
25.		0	0	0	0	0	0
26.		0	0	0	0	0	0
27.		0	0	0	0	0	0
28.		0	0	0	0	0	0
29.		0	0	0	0	0	0
30.		0	0	0	0	0	0
31.		0	0	0	0	0	0
32.		0	0	0	0	0	0
33.		0	0	0	0	0	0
34.		0	0	0	0	0	0
35.		0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)			\$0	\$0	\$0	\$0	\$0
GRAND TOTAL			\$0	\$0	\$0	\$0	\$0

FUNCTIONAL ALLOCATION OF EXPENSES TO
CHAIN COMPONENTS - CAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	New Cap. Related- Movable 5.00	Int. Exp. - New Cap. Movable 5.01	Insurance Premiums 7.00	Taxes and Licenses - Not INCM 8.00	Other 9.00	AUDITED TOTAL CAPITAL
HEALTH CARE FACILITIES							
1.	HOLIDAY MANOR 1710082193	\$0	\$0	\$0	\$0	\$0	\$0
2.	RANCHO MESA CARE CENTER 1366558827	0	0	0	0	0	0
3.	VILLA MESA CARE CENTER 1588770929	0	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER 1659945203	0	0	0	0	0	0
5.	MESA GLEN CARE CENTER 1932215100	0	0	0	0	0	0
6.	ASISSTENCIA VILLA 1053423749	0	0	0	0	0	0
7.	0	0	0	0	0	0	0
8.	0	0	0	0	0	0	0
9.	0	0	0	0	0	0	0
10.	0	0	0	0	0	0	0
11.	0	0	0	0	0	0	0
12.	0	0	0	0	0	0	0
13.	0	0	0	0	0	0	0
14.	0	0	0	0	0	0	0
15.	0	0	0	0	0	0	0
16.	0	0	0	0	0	0	0
17.	0	0	0	0	0	0	0
18.	0	0	0	0	0	0	0
19.	0	0	0	0	0	0	0
20.	0	0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		\$0	\$0	\$0	\$0	\$0	\$0
OTHER COMPONENTS							
21.	VILLA MESA CARE CENTER - RESIDENTIAL 0	\$0	\$0	\$0	\$0	\$0	\$0
22.	0	0	0	0	0	0	0
23.	0	0	0	0	0	0	0
24.	0	0	0	0	0	0	0
25.	0	0	0	0	0	0	0
26.	0	0	0	0	0	0	0
27.	0	0	0	0	0	0	0
28.	0	0	0	0	0	0	0
29.	0	0	0	0	0	0	0
30.	0	0	0	0	0	0	0
31.	0	0	0	0	0	0	0
32.	0	0	0	0	0	0	0
33.	0	0	0	0	0	0	0
34.	0	0	0	0	0	0	0
35.	0	0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		\$0	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL		\$0	\$0	\$0	\$0	\$0	\$0

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS - NONCAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	Auditing & Accounting Fees 18	Utilities 19	Communication s 20	Travel & Entertainment 21	Transportation 22	Cleaning Office & Admin Supplies 23	Minor Equipment Expensed 24
HEALTH CARE FACILITIES								
1.	HOLIDAY MANOR	1710082193	\$0	\$0	\$0	\$0	\$0	\$0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0	0	0
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0	0	0
7.		0	0	0	0	0	0	0
8.		0	0	0	0	0	0	0
9.		0	0	0	0	0	0	0
10.		0	0	0	0	0	0	0
11.		0	0	0	0	0	0	0
12.		0	0	0	0	0	0	0
13.		0	0	0	0	0	0	0
14.		0	0	0	0	0	0	0
15.		0	0	0	0	0	0	0
16.		0	0	0	0	0	0	0
17.		0	0	0	0	0	0	0
18.		0	0	0	0	0	0	0
19.		0	0	0	0	0	0	0
20.		0	0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)			\$0	\$0	\$0	\$0	\$0	\$0
OTHER COMPONENTS								
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	\$0	\$0	\$0	\$0	\$0	\$0
22.		0	0	0	0	0	0	0
23.		0	0	0	0	0	0	0
24.		0	0	0	0	0	0	0
25.		0	0	0	0	0	0	0
26.		0	0	0	0	0	0	0
27.		0	0	0	0	0	0	0
28.		0	0	0	0	0	0	0
29.		0	0	0	0	0	0	0
30.		0	0	0	0	0	0	0
31.		0	0	0	0	0	0	0
32.		0	0	0	0	0	0	0
33.		0	0	0	0	0	0	0
34.		0	0	0	0	0	0	0
35.		0	0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)			\$0	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL			\$0	\$0	\$0	\$0	\$0	\$0

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - CAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

	PROVIDER NPI	Old Cap. Related- (Statistics) 1.00	(Statistics) 1.01	Old Cap. Related- (Statistics) 2.00	(Statistics) 2.01	New Cap. Related- (Statistics) 4.00	Int. Exp. - New Cap. Bldg & Fix (Statistics) 4.01
1.	HOLIDAY MANOR	1710082193	0	0	0	0	0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0	0
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0	0
7.		0	0	0	0	0	0
8.		0	0	0	0	0	0
9.		0	0	0	0	0	0
10.		0	0	0	0	0	0
11.		0	0	0	0	0	0
12.		0	0	0	0	0	0
13.		0	0	0	0	0	0
14.		0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

0	0	0	0	0	0	0
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OTHER COMPONENTS

21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0	0	0
22.		0	0	0	0	0	0
23.		0	0	0	0	0	0
24.		0	0	0	0	0	0
25.		0	0	0	0	0	0
26.		0	0	0	0	0	0
27.		0	0	0	0	0	0
28.		0	0	0	0	0	0
29.		0	0	0	0	0	0
30.		0	0	0	0	0	0
31.		0	0	0	0	0	0
32.		0	0	0	0	0	0
33.		0	0	0	0	0	0
34.		0	0	0	0	0	0
35.		0	0	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

0	0	0	0	0	0	0
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GRAND TOTAL

0	0	0	0	0	0	0
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TOTAL STATISTICS	0	0	0	0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)	\$0	\$0	\$0	\$0	\$0	\$0
UNIT COST MULTIPLIER	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - CAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

	PROVIDER NPI	New Cap. Related- (Statistics) 5.00	Int. Exp. - New Cap. Movable (Statistics) 5.01	Insurance Premiums (Statistics) 7.00	Taxes and Licenses - Not (Statistics) 8.00	Other (Statistics) 9.00
1.	HOLIDAY MANOR	1710082193	0	0	0	0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0
7.		0	0	0	0	0
8.		0	0	0	0	0
9.		0	0	0	0	0
10.		0	0	0	0	0
11.		0	0	0	0	0
12.		0	0	0	0	0
13.		0	0	0	0	0
14.		0	0	0	0	0
15.		0	0	0	0	0
16.		0	0	0	0	0
17.		0	0	0	0	0
18.		0	0	0	0	0
19.		0	0	0	0	0
20.		0	0	0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

0	0	0	0	0	0
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OTHER COMPONENTS

21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0	0
22.		0	0	0	0	0
23.		0	0	0	0	0
24.		0	0	0	0	0
25.		0	0	0	0	0
26.		0	0	0	0	0
27.		0	0	0	0	0
28.		0	0	0	0	0
29.		0	0	0	0	0
30.		0	0	0	0	0
31.		0	0	0	0	0
32.		0	0	0	0	0
33.		0	0	0	0	0
34.		0	0	0	0	0
35.		0	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

0	0	0	0	0	0
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GRAND TOTAL

0	0	0	0	0	0
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TOTAL STATISTICS

COST TO BE ALLOCATED (FROM SCHEDULE 8)

UNIT COST MULTIPLIER

0	0	0	0	0
\$0	\$0	\$0	\$0	\$0
0.000000	0.000000	0.000000	0.000000	0.000000

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - NONCAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

	PROVIDER NPI	Salaries of Officers (Statistics) 11.00	Salaries & Wages of (Statistics) 12.00	Payroll Taxes (Statistics) 13.00	Employee Benefits-Payroll (Statistics) 14.00	Employee Benefits- (Statistics) 15.00	Profit Sharing/Pensio (Statistics) 16.00
1.	HOLIDAY MANOR	1710082193	0	0	0	0	0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0	0
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0	0
7.		0	0	0	0	0	0
8.		0	0	0	0	0	0
9.		0	0	0	0	0	0
10.		0	0	0	0	0	0
11.		0	0	0	0	0	0
12.		0	0	0	0	0	0
13.		0	0	0	0	0	0
14.		0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

0	0	0	0	0	0	0
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OTHER COMPONENTS

21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0	0	0
22.		0	0	0	0	0	0
23.		0	0	0	0	0	0
24.		0	0	0	0	0	0
25.		0	0	0	0	0	0
26.		0	0	0	0	0	0
27.		0	0	0	0	0	0
28.		0	0	0	0	0	0
29.		0	0	0	0	0	0
30.		0	0	0	0	0	0
31.		0	0	0	0	0	0
32.		0	0	0	0	0	0
33.		0	0	0	0	0	0
34.		0	0	0	0	0	0
35.		0	0	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

0	0	0	0	0	0	0
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GRAND TOTAL

0	0	0	0	0	0	0
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TOTAL STATISTICS	0	0	0	0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)	\$0	\$0	\$0	\$0	\$0	\$0
UNIT COST MULTIPLIER	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - NONCAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

PROVIDER NPI	Legal Fees (Statistics) 17.00	Auditing & Accounting (Statistics) 18.00	Utilities (Statistics) 19.00	Communications (Statistics) 20.00	Travel & Entertainment (Statistics) 21.00	Transportation (Statistics) 22.00
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1. HOLIDAY MANOR	1710082193	0	0	0	0	0	0
2. RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0	0
3. VILLA MESA CARE CENTER	1588770929	0	0	0	0	0	0
4. SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0	0
5. MESA GLEN CARE CENTER	1932215100	0	0	0	0	0	0
6. ASISSTENCIA VILLA	1053423749	0	0	0	0	0	0
7.	0	0	0	0	0	0	0
8.	0	0	0	0	0	0	0
9.	0	0	0	0	0	0	0
10.	0	0	0	0	0	0	0
11.	0	0	0	0	0	0	0
12.	0	0	0	0	0	0	0
13.	0	0	0	0	0	0	0
14.	0	0	0	0	0	0	0
15.	0	0	0	0	0	0	0
16.	0	0	0	0	0	0	0
17.	0	0	0	0	0	0	0
18.	0	0	0	0	0	0	0
19.	0	0	0	0	0	0	0
20.	0	0	0	0	0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

0	0	0	0	0	0	0
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OTHER COMPONENTS

21. VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0	0	0	0
22.	0	0	0	0	0	0	0
23.	0	0	0	0	0	0	0
24.	0	0	0	0	0	0	0
25.	0	0	0	0	0	0	0
26.	0	0	0	0	0	0	0
27.	0	0	0	0	0	0	0
28.	0	0	0	0	0	0	0
29.	0	0	0	0	0	0	0
30.	0	0	0	0	0	0	0
31.	0	0	0	0	0	0	0
32.	0	0	0	0	0	0	0
33.	0	0	0	0	0	0	0
34.	0	0	0	0	0	0	0
35.	0	0	0	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

0	0	0	0	0	0	0
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GRAND TOTAL

0	0	0	0	0	0	0
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TOTAL STATISTICS	0	0	0	0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)	\$0	\$0	\$0	\$0	\$0	\$0
UNIT COST MULTIPLIER	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - NONCAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

PROVIDER NPI	Cleaning Office & Admin (Statistics) 23.00	Minor Equipment (Statistics) 24.00	Repairs & Maintenance (Statistics) 25.00	Dues & Subscriptions (Statistics) 26.00	Contributions (Statistics) 27.00	Insurance Premium-Non (Statistics) 28.00
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1. HOLIDAY MANOR	1710082193	0	0	0	0	0	0
2. RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0	0
3. VILLA MESA CARE CENTER	1588770929	0	0	0	0	0	0
4. SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0	0
5. MESA GLEN CARE CENTER	1932215100	0	0	0	0	0	0
6. ASISSTENCIA VILLA	1053423749	0	0	0	0	0	0
7.	0	0	0	0	0	0	0
8.	0	0	0	0	0	0	0
9.	0	0	0	0	0	0	0
10.	0	0	0	0	0	0	0
11.	0	0	0	0	0	0	0
12.	0	0	0	0	0	0	0
13.	0	0	0	0	0	0	0
14.	0	0	0	0	0	0	0
15.	0	0	0	0	0	0	0
16.	0	0	0	0	0	0	0
17.	0	0	0	0	0	0	0
18.	0	0	0	0	0	0	0
19.	0	0	0	0	0	0	0
20.	0	0	0	0	0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

0	0	0	0	0	0	0
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OTHER COMPONENTS

21. VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0	0	0	0
22.	0	0	0	0	0	0	0
23.	0	0	0	0	0	0	0
24.	0	0	0	0	0	0	0
25.	0	0	0	0	0	0	0
26.	0	0	0	0	0	0	0
27.	0	0	0	0	0	0	0
28.	0	0	0	0	0	0	0
29.	0	0	0	0	0	0	0
30.	0	0	0	0	0	0	0
31.	0	0	0	0	0	0	0
32.	0	0	0	0	0	0	0
33.	0	0	0	0	0	0	0
34.	0	0	0	0	0	0	0
35.	0	0	0	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

0	0	0	0	0	0	0
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GRAND TOTAL

0	0	0	0	0	0	0
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TOTAL STATISTICS	0	0	0	0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)	\$0	\$0	\$0	\$0	\$0	\$0
UNIT COST MULTIPLIER	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - NONCAPITAL RELATED

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

PROVIDER NPI	(Statistics) 35.06	(Statistics) 35.07	(Statistics) 35.08
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1. HOLIDAY MANOR	1710082193	0	0	0
2. RANCHO MESA CARE CENTER	1366558827	0	0	0
3. VILLA MESA CARE CENTER	1588770929	0	0	0
4. SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0
5. MESA GLEN CARE CENTER	1932215100	0	0	0
6. ASISSTENCIA VILLA	1053423749	0	0	0
7.	0	0	0	0
8.	0	0	0	0
9.	0	0	0	0
10.	0	0	0	0
11.	0	0	0	0
12.	0	0	0	0
13.	0	0	0	0
14.	0	0	0	0
15.	0	0	0	0
16.	0	0	0	0
17.	0	0	0	0
18.	0	0	0	0
19.	0	0	0	0
20.	0	0	0	0

SUBTOTAL (LINES 1 THROUGH 20)

0	0	0
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OTHER COMPONENTS

21. VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0
22.	0	0	0	0
23.	0	0	0	0
24.	0	0	0	0
25.	0	0	0	0
26.	0	0	0	0
27.	0	0	0	0
28.	0	0	0	0
29.	0	0	0	0
30.	0	0	0	0
31.	0	0	0	0
32.	0	0	0	0
33.	0	0	0	0
34.	0	0	0	0
35.	0	0	0	0

SUBTOTAL (LINES 21 THROUGH 35)

0	0	0
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GRAND TOTAL

0	0	0
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TOTAL STATISTICS
COST TO BE ALLOCATED (FROM SCHEDULE 8)
UNIT COST MULTIPLIER

0	0	0
\$0	\$0	\$0
0.000000	0.000000	0.000000

DIRECT ALLOCATION OF CAPITAL COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

HEALTH CARE FACILITIES

	PROVIDER NPI	REPORTED TOTAL (SCH. E)						AUDITED TOTAL
1.	HOLIDAY MANOR	1710082193	\$0	\$0	\$0	\$0	\$0	\$0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0	0	0
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0	0	0
7.		0	0	0	0	0	0	0
8.		0	0	0	0	0	0	0
9.		0	0	0	0	0	0	0
10.		0	0	0	0	0	0	0
11.		0	0	0	0	0	0	0
12.		0	0	0	0	0	0	0
13.		0	0	0	0	0	0	0
14.		0	0	0	0	0	0	0
15.		0	0	0	0	0	0	0
16.		0	0	0	0	0	0	0
17.		0	0	0	0	0	0	0
18.		0	0	0	0	0	0	0
19.		0	0	0	0	0	0	0
20.		0	0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)			\$0	\$0	\$0	\$0	\$0	\$0

OTHER COMPONENTS

21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	\$0	\$0	\$0	\$0	\$0	\$0
22.		0	0	0	0	0	0	0
23.		0	0	0	0	0	0	0
24.		0	0	0	0	0	0	0
25.		0	0	0	0	0	0	0
26.		0	0	0	0	0	0	0
27.		0	0	0	0	0	0	0
28.		0	0	0	0	0	0	0
29.		0	0	0	0	0	0	0
30.		0	0	0	0	0	0	0
31.		0	0	0	0	0	0	0
32.		0	0	0	0	0	0	0
33.		0	0	0	0	0	0	0
34.		0	0	0	0	0	0	0
35.		0	0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)			\$0	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL			\$0	\$0	\$0	\$0	\$0	\$0

(To Schedule 3)

DIRECT ALLOCATION OF NONCAPITAL COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

<u>HEALTH CARE FACILITIES</u>		PROVIDER NPI							AUDITED TOTAL
1.	HOLIDAY MANOR	1710082193	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2.	RANCHO MESA CARE CENTER	1366558827	0	0	0	0	0	0	0
3.	VILLA MESA CARE CENTER	1588770929	0	0	0	0	0	0	0
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	0	0	0	0	0	0	0
5.	MESA GLEN CARE CENTER	1932215100	0	0	0	0	0	0	313
6.	ASISSTENCIA VILLA	1053423749	0	0	0	0	0	0	0
7.		0	0	0	0	0	0	0	0
8.		0	0	0	0	0	0	0	0
9.		0	0	0	0	0	0	0	0
10.		0	0	0	0	0	0	0	0
11.		0	0	0	0	0	0	0	0
12.		0	0	0	0	0	0	0	0
13.		0	0	0	0	0	0	0	0
14.		0	0	0	0	0	0	0	0
15.		0	0	0	0	0	0	0	0
16.		0	0	0	0	0	0	0	0
17.		0	0	0	0	0	0	0	0
18.		0	0	0	0	0	0	0	0
19.		0	0	0	0	0	0	0	0
20.		0	0	0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)			\$0	\$0	\$0	\$0	\$0	\$0	\$313
<u>OTHER COMPONENTS</u>									
21.	VILLA MESA CARE CENTER - RESIDENTIAL	0	0	0	0	0	0	0	0
22.		0	0	0	0	0	0	0	0
23.		0	0	0	0	0	0	0	0
24.		0	0	0	0	0	0	0	0
25.		0	0	0	0	0	0	0	0
26.		0	0	0	0	0	0	0	0
27.		0	0	0	0	0	0	0	0
28.		0	0	0	0	0	0	0	0
29.		0	0	0	0	0	0	0	0
30.		0	0	0	0	0	0	0	0
31.		0	0	0	0	0	0	0	0
32.		0	0	0	0	0	0	0	0
33.		0	0	0	0	0	0	0	0
34.		0	0	0	0	0	0	0	0
35.		0	0	0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)			\$0						
GRAND TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$313

(To Schedule 3-1)

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
P&M MANAGEMENT, INC.FISCAL PERIOD ENDED:
DECEMBER 31, 2012

LINE NO.	COST CENTER DESCRIPTION	REPORTED POOLED ALLOC. (SCH. B, COL 8)	ADJ. NO.	ADJUSTMENT AMOUNT(S)	AUDITED POOLED COSTS
CAPITAL-RELATED COSTS - OLD					
1.00	Old Cap. Related-Buildings & Fixtures	\$0		\$0	\$0
1.01		0		0	0
2.00	Old Cap. Related-Movable Equipment	0		0	0
2.01		0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.01)	\$0		\$0	\$0
CAPITAL-RELATED COSTS - NEW					
4.00	New Cap. Related-Buildings & Fixtures	\$41,386	2	(\$615)	\$40,771
4.01	Int. Exp. - New Cap. Bldg & Fix	18,065		0	18,065
5.00	New Cap. Related-Movable Equipment	69,115	3-7	(47,792)	21,323
5.01	Int. Exp. - New Cap. Movable	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.01)	\$128,566		(\$48,407)	\$80,159
OTHER CAPITAL-RELATED COSTS					
7.00	Insurance Premiums	\$0		\$0	\$0
8.00	Taxes and Licenses - Not INCM	0		0	0
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	\$0		\$0	\$0
NON CAPITAL-RELATED COSTS					
11.00	Salaries of Officers	\$292,931		\$0	\$292,931
12.00	Salaries & Wages of Others	368,727		0	368,727
13.00	Payroll Taxes	45,323		0	45,323
14.00	Employee Benefits-Payroll Related	58,056	8-12	(24,188)	33,868
15.00	Employee Benefits-Nonpayroll Related	28,914	8	(1,754)	27,160
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing & Accounting Fees	27,559		0	27,559
19.00	Utilities	18,815		0	18,815
20.00	Communications	21,618	13	(1,170)	20,448
21.00	Travel & Entertainment	20,939	14-17	(16,501)	4,438
22.00	Transportation	69,819	1,5-7,18-21	(44,970)	24,849
23.00	Cleaning Office & Admin Supplies	34,807	22	(752)	34,055
24.00	Minor Equipment Expensed	11,035	23-24	(2,173)	8,862
25.00	Repairs & Maintenance	32,987	5-7	(10,166)	22,821
26.00	Dues & Subscriptions	1,923		0	1,923
27.00	Contributions	0		0	0
28.00	Insurance Premium-Non Capital Related	0		0	0
29.00	Taxes & Licenses - Non Capital Related	7,526	5-7	(2,250)	5,276
30.00	Interest Expense	6,044	25	(1,318)	4,726
31.00	Consultants	15,330		0	15,330
32.00	Computer Support	10,846		0	10,846
33.00	Outside Services	0		0	0
34.00	Training/Employee Programs	0		0	0
35.00	Other	0		0	0
35.01		0		0	0
35.02		0		0	0
35.03		0		0	0
35.04		0		0	0
35.05		0		0	0
35.06		0		0	0
35.07		0		0	0
35.08		0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.08)	\$1,073,199		(\$105,242)	\$967,957
37.00	TOTAL ALLOWABLE EXPENSES	\$1,201,765		(\$153,649)	\$1,048,116
					(To Sch. 4)
38.00	NONREIMBURSABLE EXPENSES	\$0		\$0	\$0
	TOTAL EXPENSES	\$1,201,765		(\$153,649)	\$1,048,116

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
P&M MANAGEMENT, INC.FISCAL PERIOD ENDED:
DECEMBER 31, 2012

LINE NO.	COST CENTER DESCRIPTION	REPORTED DIRECT ALLOC. (SCH. B, COL 6)	ADJ. NO.	ADJUSTMENT AMOUNT(S)	AUDITED DIRECT COSTS
CAPITAL-RELATED COSTS - OLD					
1.00	Old Cap. Related-Buildings & Fixtures	\$0		\$0	\$0
1.01		0		0	0
2.00	Old Cap. Related-Movable Equipment	0		0	0
2.01		0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.01)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
CAPITAL-RELATED COSTS - NEW					
4.00	New Cap. Related-Buildings & Fixtures	\$0		\$0	\$0
4.01	Int. Exp. - New Cap. Bldg & Fix	0		0	0
5.00	New Cap. Related-Movable Equipment	0		0	0
5.01	Int. Exp. - New Cap. Movable	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.01)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
OTHER CAPITAL-RELATED COSTS					
7.00	Insurance Premiums	\$0		\$0	\$0
8.00	Taxes and Licenses - Not INCM	0		0	0
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
NON CAPITAL-RELATED COSTS					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries & Wages of Others	0		0	0
13.00	Payroll Taxes	0		0	0
14.00	Employee Benefits-Payroll Related	0		0	0
15.00	Employee Benefits-Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing & Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel & Entertainment	0		0	0
22.00	Transportation	0	1	313	313
23.00	Cleaning Office & Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs & Maintenance	0		0	0
26.00	Dues & Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium-Non Capital Related	0		0	0
29.00	Taxes & Licenses - Non Capital Related	0		0	0
30.00	Interest Expense	0		0	0
31.00	Consultants	0		0	0
32.00	Computer Support	0		0	0
33.00	Outside Services	0		0	0
34.00	Training/Employee Programs	0		0	0
35.00	Other	0		0	0
35.01		0		0	0
35.02		0		0	0
35.03		0		0	0
35.04		0		0	0
35.05		0		0	0
35.06		0		0	0
35.07		0		0	0
35.08		0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.08)	<u>\$0</u>		<u>\$313</u>	<u>\$313</u>
37.00	TOTAL ALLOWABLE EXPENSES	<u>\$0</u>		<u>\$313</u>	<u>\$313</u>
(To Sch. 7, 7-1)					
38.00	NONREIMBURSABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
TOTAL EXPENSES		<u><u>\$0</u></u>		<u><u>\$313</u></u>	<u><u>\$313</u></u>

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
P&M MANAGEMENT, INC.FISCAL PERIOD ENDED:
DECEMBER 31, 2012

LINE NO.	COST CENTER DESCRIPTION	REPORTED FUNCTIONAL COSTS (SCH. B, COL 7)	ADJ. NO.	ADJUSTMENT AMOUNT(S)	AUDITED FUNCTIONAL COSTS
CAPITAL-RELATED COSTS - OLD					
1.00	Old Cap. Related-Buildings & Fixtures	\$0		\$0	\$0
1.01		0		0	0
2.00	Old Cap. Related-Movable Equipment	0		0	0
2.01		0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.01)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
CAPITAL-RELATED COSTS - NEW					
4.00	New Cap. Related-Buildings & Fixtures	\$0		\$0	\$0
4.01	Int. Exp. - New Cap. Bldg & Fix	0		0	0
5.00	New Cap. Related-Movable Equipment	0		0	0
5.01	Int. Exp. - New Cap. Movable	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.01)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
OTHER CAPITAL-RELATED COSTS					
7.00	Insurance Premiums	\$0		\$0	\$0
8.00	Taxes and Licenses - Not INCM	0		0	0
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
NON CAPITAL-RELATED COSTS					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries & Wages of Others	0		0	0
13.00	Payroll Taxes	0		0	0
14.00	Employee Benefits-Payroll Related	0		0	0
15.00	Employee Benefits-Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing & Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel & Entertainment	0		0	0
22.00	Transportation	0		0	0
23.00	Cleaning Office & Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs & Maintenance	0		0	0
26.00	Dues & Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium-Non Capital Related	0		0	0
29.00	Taxes & Licenses - Non Capital Related	0		0	0
30.00	Interest Expense	0		0	0
31.00	Consultants	0		0	0
32.00	Computer Support	0		0	0
33.00	Outside Services	0		0	0
34.00	Training/Employee Programs	0		0	0
35.00	Other	0		0	0
35.01		0		0	0
35.02		0		0	0
35.03		0		0	0
35.04		0		0	0
35.05		0		0	0
35.06		0		0	0
35.07		0		0	0
35.08		0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.08)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
37.00	TOTAL ALLOWABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
(To Sch. 6, 6-1)					
38.00	NONREIMBURSABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
TOTAL EXPENSES		<u>\$0</u>		<u>\$0</u>	<u>\$0</u>

REPORTED HOME OFFICE COSTS

HOME OFFICE NAME:
P&M MANAGEMENT, INC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2012

	PROVIDER NPI	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT ALLOCATION		FUNCTIONAL ALLOCATION		POOLED ALLOCATION		TOTAL ALLOCATION HOME OFFICE COSTS	
		FROM	TO	CAPITAL RELATED COSTS (SCH. E)	NON-CAPITAL RELATED COSTS (SCH. E-1)	CAPITAL RELATED COSTS (SCH. F)	NON-CAPITAL RELATED COSTS (SCH. F-1)	CAPITAL RELATED COSTS (SCH. G)	NON-CAPITAL RELATED COSTS (SCH. G)		
HEALTH CARE FACILITIES											
1.	HOLIDAY MANOR	1710082193	01/01/12	12/31/12				\$14,375	\$119,996	\$134,371	
2.	RANCHO MESA CARE CENTER	1366558827	01/01/12	12/31/12				9,599	80,123	89,722	
3.	VILLA MESA CARE CENTER	1588770929	01/01/12	12/31/12				18,426	153,810	172,236	
4.	SAN FERNANDO POST ACUTE CARE CENTER	1659945203	01/01/12	12/31/12				48,486	404,729	453,215	
5.	MESA GLEN CARE CENTER	1932215100	01/01/12	12/31/12				14,562	121,554	136,116	
6.	ASISSTENCIA VILLA	1053423749	01/01/12	12/31/12				21,366	178,354	199,720	
7.										0	
8.										0	
9.										0	
10.										0	
11.										0	
12.										0	
13.										0	
14.										0	
15.										0	
16.										0	
17.										0	
18.										0	
19.										0	
20.										0	
SUBTOTAL (LINES 1 THROUGH 20)					\$0	\$0	\$0	\$0	\$126,814	\$1,058,566	\$1,185,380
OTHER COMPONENTS											
21.	VILLA MESA CARE CENTER - RESIDENTIAL							\$1,752	\$14,633	\$16,385	
22.										0	
23.										0	
24.										0	
25.										0	
26.										0	
27.										0	
28.										0	
29.										0	
30.										0	
31.										0	
32.										0	
33.										0	
34.										0	
35.										0	
SUBTOTAL (LINES 21 THROUGH 35)					\$0	\$0	\$0	\$0	\$1,752	\$14,633	\$16,385
GRAND TOTAL					\$0	\$0	\$0	\$0	\$128,566	\$1,073,199	\$1,201,765

Provider Name				Fiscal Period				NPI		Adjustments
P&M MANAGEMENT, INC.				JANUARY 1, 2012 THROUGH DECEMBER 31, 2012				HOME OFFICE		25
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	CMS 287-05 Page or Exhibit	Line	Col.	Sch.	Line	Col				
<u>RECLASSIFICATION OF REPORTED COSTS</u>										
1	Not Reported			7-1	5		Mesa Glen Care Center	\$0	\$313	\$313
	B	22	6	8	22		Direct Cost - Transportation	0	313	313
	B	22	8	8	22		Pooled Cost - Transportation	69,819	(313)	69,506 *
							To directly assign fuel expenses to the applicable facility.			
							42 CFR 413.17, 413.20, 413.24			
							CMS Pub. 15-1, Sections 2150.3B, 2300, and 2304			

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			NPI		Adjustments
P&M MANAGEMENT, INC.							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012			HOME OFFICE		25
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	Page or Exhibit	Line	Col.	Sch.	Line	Col.						
	CMS 287-05						<u>ADJUSTMENTS TO REPORTED COSTS</u>					
2	B	4	8	8	4		New Capital Related Costs - Buildings and Fixtures To adjust real property tax expenses to agree with expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304 and 2306			\$41,386	(\$615)	\$40,771

Provider Name							Fiscal Period	NPI		Adjustments
P&M MANAGEMENT, INC.							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	HOME OFFICE		25
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	CMS 287-05 Page or Exhibit	Line	Col.	Sch.	Line	Col				
<u>ADJUSTMENTS TO REPORTED COSTS</u>										
3	B	5	8	8	5	New Capital Related Costs - Movable Equipment To adjust car insurance expense to agree with the expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304 and 2306	\$69,115	(\$1,692)	\$67,423 *	
4	B	5	8	8	5	New Capital Related Costs - Movable Equipment To adjust personal property tax expenses to agree with expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304 and 2306	* \$67,423	(\$691)	\$66,732 *	
5	B	5	8	8	5	New Capital Related Costs - Movable Equipment	* \$66,732	(\$11,994)	\$54,738 *	
	B	22	8	8	22	Transportation	* 69,506	(6,312)	63,194 *	
	B	25	8	8	25	Repairs and Maintenance	32,987	(2,747)	30,240 *	
	B	29	8	8	29	Taxes and Licenses - Non-Capital Related To eliminate employee personal use of vehicles not related to patient care. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.1, 2102.2, 2102.3, 2103, 2104, 2105, 2105.9, 2114.2, 2300 and 2304	7,526	(435)	7,091 *	
6	B	5	8	8	5	New Capital Related Costs - Movable Equipment	* \$54,738	(\$26,096)	\$28,642 *	
	B	22	8	8	22	Transportation	* 63,194	(24,839)	38,355 *	
	B	25	8	8	25	Repairs and Maintenance	* 30,240	(3,739)	26,501 *	
	B	29	8	8	29	Taxes and Licenses - Non-Capital Related To eliminate chief executive officer and chief financial officer personal use of vehicles not related to patient care. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.1, 2102.2, 2102.3, 2103, 2104, 2105, 2105.9, 2114.2, 2300 and 2304	* 7,091	(331)	6,760 *	

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI		Adjustments
P&M MANAGEMENT, INC.							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	HOME OFFICE		25
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	Page or Exhibit	Line	Col.	Sch.	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
7	B	5	8	8	5	New Capital Related Costs - Movable Equipment	*	\$28,642	(\$7,319)	\$21,323
	B	22	8	8	22	Transportation	*	38,355	(3,203)	35,152 *
	B	25	8	8	25	Repairs and Maintenance	*	26,501	(3,680)	22,821
	B	29	8	8	29	Taxes and Licenses - Non-Capital Related	*	6,760	(1,484)	5,276
						To eliminate vehicle costs due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
8	B	14	8	8	14	Employee Benefits - Payroll Related		\$58,056	\$1,754	\$59,810 *
	B	15	8	8	15	Employee Benefits - Non-Payroll Related		28,914	(1,754)	27,160
						To revise the provider's adjustments to agree with their records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
	B	14	8	8	14	Employee Benefits - Payroll Related	*	\$59,810		
9						To eliminate knives, Coach purses, watch, and Swarovski crystal expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3, 2104.3 and 2105			(\$2,213)	
10						To eliminate rental fees for casino tables and stools expense not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105			(1,500)	
11						To eliminate Club 33 dining expenses due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			(1,145) (\$4,858)	\$54,952 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI		Adjustments
P&M MANAGEMENT, INC.							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	HOME OFFICE		25
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	CMS 287-05 Page or Exhibit	Line	Col.	Sch.	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
12	B	14	8	8	14	Employee Benefits - Payroll Related To eliminate employee vehicle duplicate costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	*	\$54,952	(\$21,084)	\$33,868
13	B	20	8	8	20	Communications To eliminate Mobal expenses due to insufficient documentation and not related to patient care. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2105, 2300, and 2304		\$21,618	(\$1,170)	\$20,448
14	B	21	8	8	21	Travel and Entertainment To eliminate meals and dining expenses due insufficient documentation and not related to patient care. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2104, 2105, 2300, and 2304		\$20,939	(\$10,104)	
15						To eliminate golf outing expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3, 2104.3, and 2105			(4,619)	
16						To eliminate meals and travel expenses due to insufficient documentation and not related to patient care. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2104, 2105, 2300, and 2304			(1,243)	
17						To eliminate travel expenses due to lack of documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 W&I Code, Section 14124.2(b)			(535) (\$16,501)	\$4,438

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI		Adjustments
P&M MANAGEMENT, INC.							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	HOME OFFICE		25
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Cost Report			Audit Report						
	Page or Exhibit	Line	Col.	Sch.	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
	B	22	8	8	22	Transportation	*	\$35,152		
18						To adjust fuel expense to agree with expense applicable to the audit period. 42 CFR 413.5 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, 2304, and 2306			(\$960)	
19						To eliminate vehicle fuel expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105			(11,531)	
20						To eliminate personal use of fuel expenses. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105			(1,318)	
21						To include vehicle fuel expenses for the corporate accounts receivable manager. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			<u>3,506</u> (\$10,303)	\$24,849
22	B	23	8	8	23	Cleaning, Office, and Administrative Supplies To eliminate Coach purse not related to patient care and insufficient documentation. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2104, 2105, 2300, and 2304		\$34,807	(\$752)	\$34,055
23	B	24	8	8	24	Minor Equipment Expensed To eliminate Apple product expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105		\$11,035	(\$1,787)	\$9,248 *

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI		Adjustments
P&M MANAGEMENT, INC.							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	HOME OFFICE		25
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	Page or Exhibit	Line	Col.	Sch.	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
24	B	24	8	8	24	Minor Equipment Expensed To eliminate laptop expense not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105	*	\$9,248	(\$386)	\$8,862
25	B	30	8	8	30	Interest Expense To eliminate leased and purchased vehicle interest expenses not related to patient care. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.1, 2102.2, 2102.3, 2103, 2104, 2105, 2105.9, 2114.2, 2300 and 2304		\$6,044	(\$1,318)	\$4,726

*Balance carried forward from prior/to subsequent adjustments