

**REPORT  
ON THE  
RATE SETTING AUDIT**

**KINDRED TRANSITIONAL CARE & REHAB –  
VILLAGE SQUARE  
SAN MARCOS, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1518980697**

**FISCAL PERIOD ENDED  
JUNE 30, 2012**

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

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



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

May 21, 2014

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

KINDRED TRANSITIONAL CARE & REHAB – VILLAGE SQUARE  
NATIONAL PROVIDER IDENTIFIER (NPI) 1518980697  
FISCAL PERIOD ENDED JUNE 30, 2012

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from patient share of cost. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data reports, prior fiscal period's Medi-Cal program audit report, and Medicare audit report for the current fiscal period, if applicable and available.

In our opinion, the data presented in the accompanying Summary of Audited Facility Cost per Patient Day represents a proper determination of the allowable costs, patient days, and use of share of cost for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules
2. Audit adjustments that include a summary of the total due the State in the amount of \$35,247, which resulted from Medi-Cal overpayments
3. Allocation of Home Office Cost

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

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

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

ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility No.:  
206374060

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
<b>GENERAL SERVICES</b>					
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 97,169	\$ 97,169		
160	Activities	69,989		\$ 69,989	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
<b>ANCILLARY SERVICES</b>					
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	0	0	0	0
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	0	0	0	0
083	Speech Pathology	0	0	0	0
085	Pharmacy	0	0	0	0
090	Laboratory	0	0	0	0
095	Home Health Services	0	0	0	0
100	Other Ancillary Services	0	0	0	0
101	Subacute Care Ancillary Services	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0
<b>ROUTINE SERVICES</b>					
105	Skilled Nursing Care	3,759,198	97,169	69,989	3,926,356 *
110	Intermediate Care	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0 *
125	Subacute Care	0	0	0	0 *
126	Subacute Care - Pediatric	0	0	0	0 *
128	Transitional Inpatient Care	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0 *
135	Other Routine Services	0	0	0	0 *
<b>NONREIMBURSABLE</b>					
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	<b>TOTAL</b>	<b>\$ 3,926,356</b>	<b>\$ 97,169</b>	<b>\$ 69,989</b>	<b>\$ 3,926,356</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 90,614	\$ 90,614										
010	Housekeeping	171,335	926	\$ 172,261									
060	Laundry and Linen	110,711	2,263	4,346	\$ 117,319								
065	Dietary	420,996	12,966	24,903	0	\$ 458,865							
155	Social Services	N/A	861	1,654	0	0	\$ 2,515						
160	Activities	N/A	890	1,709	0	0	0	\$ 2,598					
165	Administration	N/A	6,020	11,562	0	0	0	0		\$ 17,582	\$ 17,582		
166	Medical Records	69,872	902	1,732	0	0	0	0		72,506		\$ 72,506	
170	Inservice Education - Nursing	71,539	0	0	0	0	0	0	\$ 71,539				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		284	546	0	0	0	0	0	830	95	391	\$ 1,316
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	3	12	15
080	Physical Therapy		2,128	4,088	0	0	0	0	0	6,217	1,520	6,270	14,007
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		1,243	2,387	0	0	0	0	0	3,630	838	3,454	7,922
083	Speech Pathology		260	499	0	0	0	0	0	759	340	1,400	2,499
085	Pharmacy		0	0	0	0	0	0	0	0	1,028	4,241	5,269
090	Laboratory		0	0	0	0	0	0	0	0	213	876	1,089
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services		0	0	0	0	0	0	0	0	261	1,077	1,339
101	Subacute Care Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services		0	0	0	0	0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care		61,388	117,907	117,319	458,865	2,515	2,598	71,539	832,131	13,240	54,598	899,969 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
<b>NONREIMBURSABLE</b>													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		483	928	0	0	0	0	0	1,412	45	185	1,642
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 935,067</b>	<b>\$ 90,614</b>	<b>\$ 172,261</b>	<b>\$ 117,319</b>	<b>\$ 458,865</b>	<b>\$ 2,515</b>	<b>\$ 2,598</b>	<b>\$ 71,539</b>	<b>\$ 844,979</b>	<b>\$ 17,582</b>	<b>\$ 72,506</b>	<b>\$ 935,067</b>

\* (To Schedule 1)

**ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR**

**Provider Name:**  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

**Provider NPI:**  
1518980697

**OSHPD Facility Number:**  
206374060

**Fiscal Period:**  
JULY 1, 2011 THROUGH JUNE 30, 2012

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total
	<b>GENERAL SERVICES</b>												
005	Plant Operations and Maintenance	\$ 337,412	\$ 337,412										
010	Housekeeping	23,180	3,449	\$ 26,629									
060	Laundry and Linen	22,159	8,425	672	\$ 31,255								
065	Dietary	248,696	48,280	3,850	0	\$ 300,825							
155	Social Services	227	3,207	256	0	0	\$ 3,689						
160	Activities	4,825	3,312	264	0	0	0	\$ 8,402					
165	Administration	N/A	22,415	1,787	0	0	0	0		\$ 24,203	\$ 24,203		
166	Medical Records	13,564	3,358	268	0	0	0	0		17,190		\$ 17,190	
170	Inservice Education - Nursing	1,338	0	0	0	0	0	0	\$ 1,338				
	<b>ANCILLARY SERVICES</b>												
075	Patient Supplies	41,123	1,059	84	0	0	0	0	0	42,266	130	93	\$ 42,489
077	Specialized Support Surfaces	1,429	0	0	0	0	0	0	0	1,429	4	3	1,436
080	Physical Therapy	709,405	7,926	632	0	0	0	0	0	717,963	2,093	1,486	721,542
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	389,409	4,628	369	0	0	0	0	0	394,406	1,153	819	396,378
083	Speech Pathology	162,867	968	77	0	0	0	0	0	163,912	467	332	164,712
085	Pharmacy	509,313	0	0	0	0	0	0	0	509,313	1,416	1,005	511,734
090	Laboratory	105,255	0	0	0	0	0	0	0	105,255	293	208	105,755
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	129,382	0	0	0	0	0	0	0	129,382	360	255	129,997
101	Subacute Care Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
	<b>ROUTINE SERVICES</b>												
105	Skilled Nursing Care	144,670	228,586	18,226	31,255	300,825	3,689	8,402	1,338	736,992	18,225	12,944	768,161
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0
	<b>NONREIMBURSABLE</b>												
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	12,352	1,800	144	0	0	0	0	0	14,295	62	44	14,401
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 2,856,606</b>	<b>\$ 337,412</b>	<b>\$ 26,629</b>	<b>\$ 31,255</b>	<b>\$ 300,825</b>	<b>\$ 3,689</b>	<b>\$ 8,402</b>	<b>\$ 1,338</b>	<b>\$ 2,815,214</b>	<b>\$ 24,203</b>	<b>\$ 17,190</b>	<b>\$ 2,856,606</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 1,147,284	94%							
	Property Tax (line 40)	67,782	6%	\$ 1,215,066						
005	Plant Operations and Maintenance			62,270	\$ 62,270					
010	Housekeeping			11,782	636	\$ 12,419				
060	Laundry and Linen			28,784	1,555	313	\$ 30,652			
065	Dietary			164,951	8,910	1,795	0	\$ 175,656		
155	Social Services			10,955	592	119	0	0	\$ 11,666	
160	Activities			11,317	611	123	0	0	0	\$ 12,052
165	Administration			76,584	4,137	834	0	0	0	0
166	Medical Records			11,472	620	125	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			3,617	195	39	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			27,078	1,463	295	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			15,813	854	172	0	0	0	0
083	Speech Pathology			3,307	179	36	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care			780,985	42,186	8,500	30,652	175,656	11,666	12,052
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
<b>NONREIMBURSABLE</b>										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			6,149	332	67	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 1,215,066</b>	<b>100%</b>	<b>\$ 1,215,066</b>	<b>\$ 62,270</b>	<b>\$ 12,419</b>	<b>\$ 30,652</b>	<b>\$ 175,656</b>	<b>\$ 11,666</b>	<b>\$ 12,052</b>

\* (To Schedule 1)

## ALLOCATION OF CAPITAL COSTS

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 94% Of Total	Property Tax 6% Of Total
	<b>GENERAL SERVICES</b>									
	Capital Related (excluding lines 40 & 45)	\$ 1,147,284	94%							
	Property Tax (line 40)	67,782	6%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 81,555	\$ 81,555				
166	Medical Records				12,217		\$ 12,217			
170	Inservice Education - Nursing			\$ -						
	<b>ANCILLARY SERVICES</b>									
075	Patient Supplies			0	3,852	440	66	\$ 4,358	\$ 4,115	\$ 243
077	Specialized Support Surfaces			0	0	13	2	15	15	1
080	Physical Therapy			0	28,836	7,052	1,056	36,945	34,884	2,061
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	16,839	3,886	582	21,307	20,118	1,189
083	Speech Pathology			0	3,522	1,575	236	5,333	5,036	298
085	Pharmacy			0	0	4,770	715	5,485	5,179	306
090	Laboratory			0	0	986	148	1,133	1,070	63
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	1,212	182	1,393	1,316	78
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	<b>ROUTINE SERVICES</b>									
105	Skilled Nursing Care			0	1,061,697	61,412	9,199	1,132,309	1,069,143	63,165
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	<b>NONREIMBURSABLE</b>									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	6,549	208	31	6,788	6,410	379
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 1,215,066	100%	\$ -	\$ 1,121,295	\$ 81,555	\$ 12,217	\$ 1,215,066	\$ 1,147,284	\$ 67,782

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 61% of Total	DPH Licensing Fees 1% of Total	Professional Liability Ins. 18% of Total	Quality Assur. Fees 20% of Total	Caregiver Training 0% of Total
	<b>GENERAL SERVICES</b>													
045	Property Insurance	\$ 16,361												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	1,514,385												
	Total Costs Allocable as Administration	1,530,746	61%											
167	CDPH Licensing Fees	28,320	1%											
168	Professional Liability Insurance	438,828	18%											
169	Quality Assurance Fees	492,523	20%											
174	Caregiver Training	0	0%											
	Total	2,490,417	100%						\$ 2,490,417					
	<b>ANCILLARY SERVICES</b>													
075	Patient Supplies			\$ -	\$ 830	\$ 42,266	\$ 3,852	\$ 46,949	13,427	\$ 8,253	\$ 153	\$ 2,366	\$ 2,655	\$ -
077	Specialized Support Surfaces			0	0	1,429	0	1,429	409	251	5	72	81	0
080	Physical Therapy			0	6,217	717,963	28,836	753,015	215,360	132,372	2,449	37,948	42,591	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	3,630	394,406	16,839	414,876	118,653	72,931	1,349	20,907	23,466	0
083	Speech Pathology			0	759	163,912	3,522	168,193	48,103	29,567	547	8,476	9,513	0
085	Pharmacy			0	0	509,313	0	509,313	145,662	89,532	1,656	25,667	28,807	0
090	Laboratory			0	0	105,255	0	105,255	30,103	18,503	342	5,304	5,953	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	129,382	0	129,382	37,003	22,744	421	6,520	7,318	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
	<b>ROUTINE SERVICES</b>													
105	Skilled Nursing Care			3,926,356	832,131	736,992	1,061,697	6,557,176	1,875,333	1,152,682	21,326	330,446	370,879	0*
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0*
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0*
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0*
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0*
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0*
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0*
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0*
	<b>NONREIMBURSABLE</b>													
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,412	14,295	6,549	22,256	6,365	3,912	72	1,122	1,259	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 2,490,417		\$ 3,926,356	\$ 844,979	\$ 2,815,214	\$ 1,121,295	\$ 8,707,844	\$ 2,490,417					
	Total Administrative Costs							\$ 2,490,417		\$ 1,530,746	\$ 28,320	\$ 438,828	\$ 492,523	\$ -
	Unit Cost Multiplier							0.28599698						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 90,088	\$ 41,392	\$ 93,771	\$ 225,251							
	<b>TOTAL FACILITY COSTS</b>							\$ 11,423,512						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name: KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE  
 Provider NPI: 1518980697

OSHPD Facility Number:  
 206374060

Fiscal Period:  
 JULY 1, 2011 THROUGH JUNE 30, 2012

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj 8)	Plant Ops (SQ FT) 5 (Adj 8)	Hskpng (SQ FT) 10 (Adj 8)	Laundry (LBS) 60 (Adj )	Dietary (MEALS) 65 (Adj )	Soc Srvs (DIRECT EXP) 155 (Adj )	Activities (DIRECT EXP) 160 (Adj )	Inserv. Ed (DIRECT EXP) 170 (Adj )	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance	1,205									
010	Housekeeping	228	228								
060	Laundry and Linen	557	557	557							
065	Dietary	3,192	3,192	3,192							
155	Social Services	212	212	212							
160	Activities	219	219	219							
165	Administration	1,482	1,482	1,482							
166	Medical Records	222	222	222							
170	Inservice Education - Nursing	0	0	0							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies	70	70	70						46,949	46,949
077	Specialized Support Surfaces									1,429	1,429
080	Physical Therapy	524	524	524						753,015	753,015
081	Respiratory Therapy									0	0
082	Occupational Therapy	306	306	306						414,876	414,876
083	Speech Pathology	64	64	64						168,193	168,193
085	Pharmacy									509,313	509,313
090	Laboratory									105,255	105,255
095	Home Health Services									0	0
100	Other Ancillary Services									129,382	129,382
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	15,113	15,113	15,113	68,856	103,284	3,903,868	3,903,868	3,903,868	6,557,176	6,557,176
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	<b>NONREIMBURSABLE</b>										
139	Residential Care									0	0
140	Beauty and Barber	119	119	119						22,256	22,256
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	<b>23,513</b>	<b>22,308</b>	<b>22,080</b>	<b>68,856</b>	<b>103,284</b>	<b>3,903,868</b>	<b>3,903,868</b>	<b>3,903,868</b>	<b>8,707,844</b>	<b>8,707,844</b>
	<b>TOTAL DIRECT SALARIES COSTS - SCH. 2</b>						\$ 97,169	\$ 69,989			
	<b>UNIT COST MULTIPLIER (DIRECT SALARIES)</b>						0.024890442	0.017928116			
	<b>TOTAL INDIRECT SALARIES COSTS - SCH. 3</b>		\$ 90,614	\$ 172,261	\$ 117,319	\$ 458,865	\$ 2,515	\$ 2,598	\$ 71,539	\$ 17,582	\$ 72,506
	<b>UNIT COST MULTIPLIER (INDIRECT SALARIES)</b>		4.06195087	7.80168138	1.70383181	4.44274732	0.00064426	0.00066553	0.01832516	0.00201909	0.00832649
	<b>TOTAL INDIRECT OTHER COSTS - SCH. 4</b>		\$ 337,412	\$ 26,629	\$ 31,255	\$ 300,825	\$ 3,689	\$ 8,402	\$ 1,338	\$ 24,203	\$ 17,190
	<b>UNIT COST MULTIPLIER (INDIRECT OTHER)</b>		15.12515689	1.20600253	0.45392494	2.91260080	0.00094501	0.00215210	0.00034274	0.00277942	0.00197403
	<b>TOTAL CAPITAL COSTS - SCH. 5</b>	\$ 1,215,066	\$ 62,270	\$ 12,419	\$ 30,652	\$ 175,656	\$ 11,666	\$ 12,052	\$ -	\$ 81,555	\$ 12,217
	<b>UNIT COST MULTIPLIER (CAPITAL COSTS)</b>	51.67634925	2.79137533	0.56243846	0.44515802	1.70071144	0.00298842	0.00308709	0.00000000	0.00936566	0.00140295

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 66,824	\$ 0	\$ 66,824	(Sch 3)
005	.20-.39	Fringe Benefits	6200	23,790	0	23,790	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	337,412	0	337,412	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 428,026	\$ 0	\$ 428,026	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$	\$ 0	\$ 0	(Sch 3)
010	.20-.39	Fringe Benefits	6300		0	0	(Sch 3)
010	.79	Agency Staff	6300	171,335	0	171,335	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	26,306	(3,126)	23,180	(Sch 4)
010		Housekeeping - Total	6300	\$ 197,641	\$ (3,126)	\$ 194,515	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 928	\$ 0	\$ 928	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	49,884	0	49,884	(Sch 5)
025		Depreciation: Equipment	7140	24,633	0	24,633	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	1,071,839	0	1,071,839	(Sch 5)
040		Property Taxes	7300	67,782	0	67,782	(Sch 5)
045		Property Insurance	7400	16,361	0	16,361	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 1,857,094	\$ (3,126)	\$ 1,853,968	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400		0	0	(Sch 3)
060	.79	Agency Staff	6400	110,711	0	110,711	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	21,674	485	22,159	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 132,385	\$ 485	\$ 132,870	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 305,490	\$ 0	\$ 305,490	(Sch 3)
065	.20-.39	Fringe Benefits	6500	115,506	0	115,506	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	248,696	0	248,696	(Sch 4)
065		Dietary - Total	6500	\$ 669,692	\$ 0	\$ 669,692	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	41,123	0	41,123	(Sch 4)
075		Patient Supplies - Total	8100	\$ 41,123	\$ 0	\$ 41,123	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150	1,429	0	1,429	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 1,429	\$ 0	\$ 1,429	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200		0	0	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	709,405	0	709,405	(Sch 4)
080		Physical Therapy - Total	8200	\$ 709,405	\$ 0	\$ 709,405	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250		0	0	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	389,409	0	389,409	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 389,409	\$ 0	\$ 389,409	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280		0	0	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	162,867	0	162,867	(Sch 4)
083		Speech Pathology - Total	8280	\$ 162,867	\$ 0	\$ 162,867	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300		0	0	(Sch 2)
085	.79	Agency Staff	8300		0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	509,313	0	509,313	(Sch 4)
085		Pharmacy - Total	8300	\$ 509,313	\$ 0	\$ 509,313	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400		0	0	(Sch 2)
090	.79	Agency Staff	8400		0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	105,255	0	105,255	(Sch 4)
090		Laboratory - Total	8400	\$ 105,255	\$ 0	\$ 105,255	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900		0	0	(Sch 2)
100	.79	Agency Staff	8900		0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	129,573	(191)	129,382	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 129,573	\$ (191)	\$ 129,382	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
101	.79	Agency Staff	8100-8900		0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
102	.79	Agency Staff	8100-8900		0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 2,048,374	\$ (191)	\$ 2,048,183	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 2,808,177	\$ (63,277)	\$ 2,744,900	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,029,209	(14,911)	1,014,298	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	146,870	(2,200)	144,670	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 3,984,256	\$ (80,388)	\$ 3,903,868	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120		0	0	
110	.49	Agency Staff	6120		0	0	
110	.40-.99	Other - Nonlabor	6120		0	0	
110		Intermediate Care - Total	6120	\$ 0	\$ 0	\$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	\$	\$ 0	\$ 0	
115	.20-.39	Fringe Benefits	6130		0	0	
115	.49	Agency Staff	6130		0	0	
115	.40-.99	Other - Nonlabor	6130		0	0	
115		Mentally Disordered Care - Total	6130	\$ 0	\$ 0	\$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	\$	\$ 0	\$ 0	
120	.20-.39	Fringe Benefits	6140		0	0	
120	.49	Agency Staff	6140		0	0	
120	.40-.99	Other - Nonlabor	6140		0	0	
120		Developmentally Disabled Care - Total	6140	\$ 0	\$ 0	\$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	\$	\$ 0	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150		0	0	(Sch 2)
125	.49	Agency Staff	6150		0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150		0	0	(Sch 4)
125		Subacute Care - Total	6150	\$ 0	\$ 0	\$ 0	
126		Subacute Care - Pediatric					
126	.01-.19	Salaries and Wages	6160	\$	\$ 0	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160		0	0	(Sch 2)
126	.49	Agency Staff	6160		0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160		0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170		0	0
128	.49	Agency Staff	6170		0	0
128	.40-.99	Other - Nonlabor	6170		0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0 (Sch 2)
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180		0	0
130	.49	Agency Staff	6180		0	0
130	.40-.99	Other - Nonlabor	6180		0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0 (Sch 2)
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190		0	0
135	.49	Agency Staff	6190		0	0
135	.40-.99	Other - Nonlabor	6190		0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0 (Sch 2)
		<b>Other Nonreimbursable</b>				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
139	.49	Agency Staff	9100		0	0 (Sch 2)
139	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$	\$ 0	\$ 0 (Sch 2)
140	.20-.39	Fringe Benefits	8900		0	0 (Sch 2)
140	.49	Agency Staff	8900		0	0 (Sch 2)
140	.40-.99	Other - Nonlabor	8900	12,352	0	12,352 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 12,352	\$ 0	\$ 12,352
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$	\$ 0	\$ 0 (Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0 (Sch 2)
145	.49	Agency Staff	9100		0	0 (Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0 (Sch 4)
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 3,996,608	\$ (80,388)	\$ 3,916,220
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 71,885	\$ 0	\$ 71,885 (Sch 2)
155	.20-.39	Fringe Benefits	6600	25,284	0	25,284 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	227	0	227 (Sch 4)
155		Social Services - Total	6600	\$ 97,396	\$ 0	\$ 97,396

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
KINDRED TRANSITIONAL CARE & REHAB -VILLAGE SQUARE

Fiscal Period:  
JULY 1, 2011 THROUGH JUNE 30, 2012

Provider NPI:  
1518980697

OSHPD Facility Number:  
206374060

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
160		Activities					
160	.01-.19	Salaries and Wages	6700	\$ 51,174	\$ 0	\$ 51,174	(Sch 2)
160	.20-.39	Fringe Benefits	6700	18,815	0	18,815	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	4,825	0	4,825	(Sch 4)
160		Activities - Total	6700	\$ 74,814	\$ 0	\$ 74,814	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 514,626	\$ 63,277	\$ 577,903	(Sch 6)
165	.20-.39	Fringe Benefits	6900	199,117	14,911	214,028	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	718,097	4,357	722,454	(Sch 6)
165		Administration - Total	6900	\$ 1,431,840	\$ 82,545	\$ 1,514,385	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 53,103	\$ 0	\$ 53,103	(Sch 3)
166	.20-.39	Fringe Benefits	6900	16,769	0	16,769	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	14,006	(442)	13,564	(Sch 4)
166		Medical Records - Total	6900	\$ 83,878	\$ (442)	\$ 83,436	
167		CDPH Licensing Fees	6900	\$ 28,320	\$ 0	\$ 28,320	(Sch 6)
168		Professional Liability Insurance	6900	\$ 438,828	\$ 0	\$ 438,828	(Sch 6)
169		Quality Assurance Fees	6900	\$ 492,523	\$ 0	\$ 492,523	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 56,781	\$ 0	\$ 56,781	(Sch 3)
170	.20-.39	Fringe Benefits	6800	14,758	0	14,758	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	1,338	0	1,338	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 72,877	\$ 0	\$ 72,877	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 2,720,476	\$ 82,103	\$ 2,802,579	
200		<b>Total</b>		\$ 11,424,629	\$ (1,117)	\$ 11,423,512	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 292,126	
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\* For informational purposes only, this amount is included in various cost centers above.









Provider Name							Fiscal Period			NPI		Adjustments
KINDRED TRANSITIONAL CARE & REHAB-VILLAGE SQUARE							JULY 1, 2011 THROUGH JUNE 30, 2012			1518980697		13
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<u>MEMORANDUM ADJUSTMENT</u>												
1	N/A			8	210	N/A	Total Facility Group Health Insurance To identify health insurance costs for informational purposes only. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$292,126	\$292,126

Provider Name							Fiscal Period		NPI		Adjustments
KINDRED TRANSITIONAL CARE & REHAB-VILLAGE SQUARE							JULY 1, 2011 THROUGH JUNE 30, 2012		1518980697		13
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b><u>RECLASSIFICATIONS OF REPORTED COSTS</u></b>											
2	10.5	166	4	8A-1	166	4	Medical Records - Other - Nonlabor	\$14,006	(\$442)	\$13,564	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	718,097	442	718,539 *	
							To reclassify the provider's offset of medical record sales to the appropriate cost center for proper cost determination. 42 CFR 413.9, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2328				
3	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	\$2,808,177	(\$63,277)	\$2,744,900	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	1,029,209	(14,911)	1,014,298	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	514,626	63,277	577,903	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	199,117	14,911	214,028	
							To reclassify case manager expense to agree with AB 1629 reporting requirements. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI	Adjustments		
KINDRED TRANSITIONAL CARE & REHAB-VILLAGE SQUARE							JULY 1, 2011 THROUGH JUNE 30, 2012	1518980697	13		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>											
4	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor To adjust reported costs to agree with provider's adjustments to cost on schedule 10.4 of the cost report. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$129,573	(\$191)	\$129,382	
5	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor To eliminate prior period expense for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$146,870	(\$2,200)	\$144,670	
6	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor	\$26,306	(\$3,126)	\$23,180	
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor To adjust reported expenses to agree with vendor invoices. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	21,674	485	22,159	
7	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To adjust home office costs to agree with the filed Kindred Health Care, Inc. Home Office Cost Reports for fiscal periods ended 12/31/11 and 12/31/12. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304	\$718,539	\$3,915	\$722,454	

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI	Adjustments		
KINDRED TRANSITIONAL CARE & REHAB-VILLAGE SQUARE							JULY 1, 2011 THROUGH JUNE 30, 2012	1518980697	13		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report								
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
<b><u>ADJUSTMENT TO REPORTED STATISTICS</u></b>											
8	10.7	010	2	7	010		Housekeeping (Square Feet)	0	228	228	
	10.7	165	1,2,3	7	165		Administration	1,257	225	1,482	
	10.7	170	1,2,3	7	170		Inservice Education - Nursing	225	(225)	0	
	10.7	175	2	7	N/A		Total Statistic - Plant Operations	22,080	228	22,308	
							To adjust square footage statistics to agree with Medicare cost report and audit report format. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304, 2306 and 2328				

Provider Name							Fiscal Period	NPI	Adjustments	
KINDRED TRANSITIONAL CARE & REHAB-VILLAGE SQUARE							JULY 1, 2011 THROUGH JUNE 30, 2012	1518980697	13	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No				
<b><u>ADJUSTMENTS TO REPORTED PATIENT DAYS</u></b>										
9	11(2)	105	1	1	12		Total Patient Days - Skilled Nursing Care To adjust total patient days to agree with provider's census records. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	34,635	(4)	34,631
10	4.1	5	2	1	15		Medi-Cal Days - Skilled Nursing Care To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: July 1, 2011 through June 30, 2012 Payment Period: July 1, 2011 through September 4, 2013 Report Date: September 20, 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	18,871	(137)	18,734

Provider Name							Fiscal Period			NPI		Adjustments
KINDRED TRANSITIONAL CARE & REHAB-VILLAGE SQUARE							JULY 1, 2011 THROUGH JUNE 30, 2012			1518980697		13
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Cost Report			Audit Report									
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No						
<b><u>ADJUSTMENTS TO OTHER MATTERS</u></b>												
	Not Reportec			1	14		Overpayments - Skilled Nursing Care	\$0				
11							To recover Medi-Cal overpayments for Skilled Nursing days billed when the patient was in hospice. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1		\$10,302			
12							To recover Medi-Cal overpayments due to lack of documentation and share of cost not properly deducted from Medi-Cal billings. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1		18,081			
13							To recover outstanding Medi-Cal credit balances. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1		<u>6,864</u> \$35,247	\$35,247		