

**REPORT
ON THE
RATE SETTING AUDIT**

**TWIN OAKS REHAB AND NURSING CENTER
TULARE, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1679710719**

**FISCAL PERIOD ENDED
DECEMBER 31, 2012**

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

**Section Chief: Michael Harrold
Audit Supervisor: Kristina Nacino
Auditor: Svetlana Lysenko**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

June 18, 2014

Jim Higbee
Director of Reimbursement
Magnolia Health Corporation
999 North M Street
Tulare, CA 93274

TWIN OAKS REHAB AND NURSING CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1679710719
FISCAL PERIOD ENDED DECEMBER 31, 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, 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 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 \$36,790, which resulted from Medi-Cal overpayments

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

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

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

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

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

Jim Higbee
Page 3

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:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility No.:
206544081

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs	Activities	Total
			155	160	
	GENERAL SERVICES				
005	Plant Operations and Maintenance				
010	Housekeeping				
060	Laundry and Linen				
065	Dietary				
155	Social Services	\$ 33,352	\$ 33,352		
160	Activities	116,563		\$ 116,563	
165	Administration				
166	Medical Records				
170	Inservice Education - Nursing				
	ANCILLARY SERVICES				
075	Patient Supplies	0	0	0	0
077	Specialized Support Surfaces	N/A	0	0	0
080	Physical Therapy	360,639	0	0	360,639
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	294,359	0	0	294,359
083	Speech Pathology	80,992	0	0	80,992
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
	ROUTINE SERVICES				
105	Skilled Nursing Care	2,408,755	33,352	116,563	2,558,670
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
	NONREIMBURSABLE				
139	Residential Care	0	0	0	0
140	Beauty and Barber	0	0	0	0
145	Other Nonreimbursable	0	0	0	0
	TOTAL	\$ 3,294,660	\$ 33,352	\$ 116,563	\$ 3,294,660

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 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
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 61,144	\$ 61,144										
010	Housekeeping	128,405	107	\$ 128,512									
060	Laundry and Linen	81,053	1,575	3,316	\$ 85,943								
065	Dietary	282,100	8,276	17,425	0	\$ 307,801							
155	Social Services	N/A	592	1,246	0	0	\$ 1,838						
160	Activities	N/A	0	0	0	0	0	\$ -					
165	Administration	N/A	5,702	12,005	0	0	0	0		\$ 17,707	\$ 17,707		
166	Medical Records	57,001	600	1,264	0	0	0	0		58,865		\$ 58,865	
170	Inservice Education - Nursing	6,133	0	0	0	0	0	0	\$ 6,133				
ANCILLARY SERVICES													
075	Patient Supplies		1,052	2,214	0	0	0	0	0	3,266	215	714	\$ 4,195
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy		1,366	2,875	0	0	0	0	0	4,241	1,227	4,078	9,545
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		997	2,098	0	0	0	0	0	3,095	995	3,306	7,396
083	Speech Pathology		201	423	0	0	0	0	0	624	269	896	1,790
085	Pharmacy		0	0	0	0	0	0	0	0	1,022	3,398	4,421
090	Laboratory		0	0	0	0	0	0	0	0	82	271	353
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	387	1,285	1,672
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
ROUTINE SERVICES													
105	Skilled Nursing Care		40,248	84,742	85,943	307,801	1,838	0	6,133	526,705	13,486	44,835	585,026 *
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 *
NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		429	904	0	0	0	0	0	1,334	24	81	1,439
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 615,836	\$ 61,144	\$ 128,512	\$ 85,943	\$ 307,801	\$ 1,838	\$ -	\$ 6,133	\$ 539,265	\$ 17,707	\$ 58,865	\$ 615,836

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 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
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 183,203	\$ 183,203										
010	Housekeeping	29,063	322	\$ 29,385									
060	Laundry and Linen	18,361	4,718	758	\$ 23,838								
065	Dietary	218,731	24,797	3,984	0	\$ 247,512							
155	Social Services	108	1,774	285	0	0	\$ 2,167						
160	Activities	1,782	0	0	0	0	0	\$ 1,782					
165	Administration	N/A	17,084	2,745	0	0	0	0		\$ 19,829	\$ 19,829		
166	Medical Records	12,382	1,798	289	0	0	0	0		14,469		\$ 14,469	
170	Inservice Education - Nursing	0	0	0	0	0	0	0	\$ -				
ANCILLARY SERVICES													
075	Patient Supplies	48,725	3,151	506	0	0	0	0	0	52,382	241	176	\$ 52,799
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	0	4,092	657	0	0	0	0	0	4,749	1,374	1,002	7,125
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	2,986	480	0	0	0	0	0	3,466	1,114	813	5,392
083	Speech Pathology	0	602	97	0	0	0	0	0	699	302	220	1,221
085	Pharmacy	320,765	0	0	0	0	0	0	0	320,765	1,145	835	322,745
090	Laboratory	25,584	0	0	0	0	0	0	0	25,584	91	67	25,742
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	121,299	0	0	0	0	0	0	0	121,299	433	316	122,048
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
ROUTINE SERVICES													
105	Skilled Nursing Care	163,987	120,593	19,376	23,838	247,512	2,167	1,782	0	579,254	15,103	11,021	605,378 *
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 *
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	0	1,287	207	0	0	0	0	0	1,494	27	20	1,541
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 1,143,990	\$ 183,203	\$ 29,385	\$ 23,838	\$ 247,512	\$ 2,167	\$ 1,782	\$ -	\$ 1,109,692	\$ 19,829	\$ 14,469	\$ 1,143,990

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 587,362	86%							
	Property Tax (line 40)	95,728	14%	\$ 683,090						
005	Plant Operations and Maintenance			24,809	\$ 24,809					
010	Housekeeping			1,156	44	\$ 1,200				
060	Laundry and Linen			16,954	639	31	\$ 17,624			
065	Dietary			89,099	3,358	163	0	\$ 92,619		
155	Social Services			6,373	240	12	0	0	\$ 6,624	
160	Activities			0	0	0	0	0	0	\$ -
165	Administration			61,385	2,313	112	0	0	0	0
166	Medical Records			6,462	244	12	0	0	0	0
170	Inservice Education - Nursing			0	0	0	0	0	0	0
ANCILLARY SERVICES										
075	Patient Supplies			11,323	427	21	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			14,702	554	27	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			10,730	404	20	0	0	0	0
083	Speech Pathology			2,164	82	4	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
ROUTINE SERVICES										
105	Skilled Nursing Care			433,311	16,330	791	17,624	92,619	6,624	0
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			4,624	174	8	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 683,090	100%	\$ 683,090	\$ 24,809	\$ 1,200	\$ 17,624	\$ 92,619	\$ 6,624	\$ -

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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 86% Of Total	Property Tax 14% Of Total
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 587,362	86%							
	Property Tax (line 40)	95,728	14%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 63,811	\$ 63,811				
166	Medical Records				6,717		\$ 6,717			
170	Inservice Education - Nursing			\$ -						
	ANCILLARY SERVICES									
075	Patient Supplies			0	11,770	774	82	\$ 12,626	\$ 10,856	\$ 1,769
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			0	15,282	4,421	465	20,168	17,342	2,826
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	11,154	3,584	377	15,115	12,997	2,118
083	Speech Pathology			0	2,249	971	102	3,323	2,857	466
085	Pharmacy			0	0	3,684	388	4,072	3,501	571
090	Laboratory			0	0	294	31	325	279	46
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	1,393	147	1,540	1,324	216
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
	ROUTINE SERVICES									
105	Skilled Nursing Care			0	567,301	48,602	5,116	621,019	533,989	87,029
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
	NONREIMBURSABLE									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	4,807	88	9	4,903	4,216	687
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 683,090	100%	\$ -	\$ 612,563	\$ 63,811	\$ 6,717	\$ 683,090	\$ 587,362	\$ 95,728

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 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. 57% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 4% of Total	Quality Assur. Fees 36% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 14,007												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	779,827												
	Total Costs Allocable as Administration	793,834	57%											
167	CDPH Licensing Fees	29,417	2%											
168	Professional Liability Insurance	57,683	4%											
169	Quality Assurance Fees	499,942	36%											
174	Caregiver Training	0	0%											
	Total	1,380,876	100%						\$ 1,380,876					
ANCILLARY SERVICES														
075	Patient Supplies			\$ -	\$ 3,266	\$ 52,382	\$ 11,770	\$ 67,418	16,755	\$ 9,632	\$ 357	\$ 700	\$ 6,066	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			360,639	4,241	4,749	15,282	384,911	95,662	54,994	2,038	3,996	34,634	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			294,359	3,095	3,466	11,154	312,074	77,560	44,587	1,652	3,240	28,080	0
083	Speech Pathology			80,992	624	699	2,249	84,564	21,017	12,082	448	878	7,609	0
085	Pharmacy			0	0	320,765	0	320,765	79,720	45,829	1,698	3,330	28,862	0
090	Laboratory			0	0	25,584	0	25,584	6,358	3,655	135	266	2,302	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	121,299	0	121,299	30,146	17,330	642	1,259	10,914	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
ROUTINE SERVICES														
105	Skilled Nursing Care			2,558,670	526,705	579,254	567,301	4,231,930	1,051,761	604,633	22,406	43,935	380,787	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*
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,334	1,494	4,807	7,634	1,897	1,091	40	79	687	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 1,380,876		\$ 3,294,660	\$ 539,265	\$ 1,109,692	\$ 612,563	\$ 5,556,179	\$ 1,380,876					
	Total Administrative Costs							\$ 1,380,876		\$ 793,834	\$ 29,417	\$ 57,683	\$ 499,942	\$ -
	Unit Cost Multiplier							0.24852978						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 76,571	\$ 34,298	\$ 70,527	\$ 181,397							
	TOTAL FACILITY COSTS							\$ 7,118,452						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS (Adj)	Plant Ops (SQ FT) 5 (Adj)	Hskpng (SQ FT) 10 (Adj)	Laundry (LBS) 60 (Adj)	Dietary (MEALS) 65 (Adj)	Soc Srvs (DIRECT EXP) 155 (Adj)	Activities (DIRECT EXP) 160 (Adj)	Inserv. Ed (DIRECT EXP) 170 (Adj)	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
	GENERAL SERVICES										
005	Plant Operations and Maintenance	837									
010	Housekeeping	39	39								
060	Laundry and Linen	572	572	572							
065	Dietary	3,006	3,006	3,006							
155	Social Services	215	215	215							
160	Activities										
165	Administration	2,071	2,071	2,071							
166	Medical Records	218	218	218							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
075	Patient Supplies	382	382	382						67,418	67,418
077	Specialized Support Surfaces									0	0
080	Physical Therapy	496	496	496						384,911	384,911
081	Respiratory Therapy									0	0
082	Occupational Therapy	362	362	362						312,074	312,074
083	Speech Pathology	73	73	73						84,564	84,564
085	Pharmacy									320,765	320,765
090	Laboratory									25,584	25,584
095	Home Health Services									0	0
100	Other Ancillary Services									121,299	121,299
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	14,619	14,619	14,619	165,005	99,003	2,572,742	2,572,742	2,572,742	4,231,930	4,231,930
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
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	156	156	156						7,634	7,634
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	23,046	22,209	22,170	165,005	99,003	2,572,742	2,572,742	2,572,742	5,556,179	5,556,179
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 33,352 0.012963601	\$ 116,563 0.045306914			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 61,144 2.75311811	\$ 128,512 5.79667892	\$ 85,943 0.52085382	\$ 307,801 3.10900367	\$ 1,838 0.00071449	\$ - 0.00000000	\$ 6,133 0.00238384	\$ 17,707 0.00318684	\$ 58,865 0.01059449
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 183,203 8.24904318	\$ 29,385 1.32542682	\$ 23,838 0.14446591	\$ 247,512 2.50004401	\$ 2,167 0.00084210	\$ 1,782 0.00069265	\$ - 0.00000000	\$ 19,829 0.00356877	\$ 14,469 0.00260417
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 683,090 29.64028465	\$ 24,809 1.11706598	\$ 1,200 0.05410630	\$ 17,624 0.10680981	\$ 92,619 0.93551953	\$ 6,624 0.00257487	\$ - 0.00000000	\$ - 0.00000000	\$ 63,811 0.01148461	\$ 6,717 0.00120891

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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	\$ 46,645	\$ 0	\$ 46,645	(Sch 3)
005	.20-.39	Fringe Benefits	6200	14,499	0	14,499	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	183,203	0	183,203	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 244,347	\$ 0	\$ 244,347	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 94,356	\$ 952	\$ 95,308	(Sch 3)
010	.20-.39	Fringe Benefits	6300	33,097	0	33,097	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	30,015	(952)	29,063	(Sch 4)
010		Housekeeping - Total	6300	\$ 157,468	\$ 0	\$ 157,468	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 161,857	\$ 0	\$ 161,857	(Sch 5)
020		Depreciation: Leasehold Improvements	7130		0	0	(Sch 5)
025		Depreciation: Equipment	7140	111,934	0	111,934	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200		0	0	(Sch 5)
040		Property Taxes	7300	98,453	(2,725)	95,728	(Sch 5)
045		Property Insurance	7400	14,007	0	14,007	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		313,571	313,571	(Sch 5)
055		Interest - Other	7600	\$	\$ 0	\$ 0	(Sch 6)
057		Subtotal 005 - 055		\$ 788,066	\$ 310,846	\$ 1,098,912	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 60,616	\$ 1,319	\$ 61,935	(Sch 3)
060	.20-.39	Fringe Benefits	6400	19,118	0	19,118	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	19,680	(1,319)	18,361	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 99,414	\$ 0	\$ 99,414	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 204,818	\$ 0	\$ 204,818	(Sch 3)
065	.20-.39	Fringe Benefits	6500	77,282	0	77,282	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	218,731	0	218,731	(Sch 4)
065		Dietary - Total	6500	\$ 500,831	\$ 0	\$ 500,831	
070		Provision for Bad Debts	7700	\$	0	\$ 0	
		Ancillary Services					
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	50,250	(1,525)	48,725	(Sch 4)
075		Patient Supplies - Total	8100	\$ 50,250	\$ (1,525)	\$ 48,725	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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	360,639	0	360,639	(Sch 2)
080	.40-.99	Other - Nonlabor	8200		0	0	(Sch 4)
080		Physical Therapy - Total	8200	\$ 360,639	\$ 0	\$ 360,639	
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	294,359	0	294,359	(Sch 2)
082	.40-.99	Other - Nonlabor	8250		0	0	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 294,359	\$ 0	\$ 294,359	
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	80,992	0	80,992	(Sch 2)
083	.40-.99	Other - Nonlabor	8280		0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 80,992	\$ 0	\$ 80,992	
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	318,908	1,857	320,765	(Sch 4)
085		Pharmacy - Total	8300	\$ 318,908	\$ 1,857	\$ 320,765	
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	25,584	0	25,584	(Sch 4)
090		Laboratory - Total	8400	\$ 25,584	\$ 0	\$ 25,584	
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	110,551	10,748	121,299	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 110,551	\$ 10,748	\$ 121,299	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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		\$ 1,241,283	\$ 11,080	\$ 1,252,363	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,869,589	\$ (8,934)	\$ 1,860,655	(Sch 2)
105	.20-.39	Fringe Benefits	6110	548,100	0	548,100	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	258,312	(94,325)	163,987	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,676,001	\$ (103,259)	\$ 2,572,742	
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:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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)
		Other Nonreimbursable				
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		0	0 (Sch 4)
140		Beauty and Barber - Total	8900	\$ 0	\$ 0	\$ 0
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		Subtotal 105 - 145		\$ 2,676,001	\$ (103,259)	\$ 2,572,742
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 24,052	\$ 0	\$ 24,052 (Sch 2)
155	.20-.39	Fringe Benefits	6600	9,300	0	9,300 (Sch 2)
155	.49	Agency Staff	6600		0	0 (Sch 2)
155	.40-.99	Other - Nonlabor	6600	5,726	(5,618)	108 (Sch 4)
155		Social Services - Total	6600	\$ 39,078	\$ (5,618)	\$ 33,460

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
TWIN OAKS REHAB AND NURSING CENTER

Fiscal Period:
JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Provider NPI:
1679710719

OSHPD Facility Number:
206544081

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	\$ 83,033	\$ 82	\$ 83,115	(Sch 2)
160	.20-.39	Fringe Benefits	6700	33,448	0	33,448	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	1,864	(82)	1,782	(Sch 4)
160		Activities - Total	6700	\$ 118,345	\$ 0	\$ 118,345	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 203,382	\$ (27,026)	\$ 176,356	(Sch 6)
165	.20-.39	Fringe Benefits	6900	20,978	0	20,978	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	878,940	(296,447)	582,493	(Sch 6)
165		Administration - Total	6900	\$ 1,103,300	\$ (323,473)	\$ 779,827	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 37,740	\$ 0	\$ 37,740	(Sch 3)
166	.20-.39	Fringe Benefits	6900	19,261	0	19,261	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	12,382	0	12,382	(Sch 4)
166		Medical Records - Total	6900	\$ 69,383	\$ 0	\$ 69,383	
167		CDPH Licensing Fees	6900	\$ 29,417	\$ 0	\$ 29,417	(Sch 6)
168		Professional Liability Insurance	6900	\$ 57,683	\$ 0	\$ 57,683	(Sch 6)
169		Quality Assurance Fees	6900	\$ 499,942	\$ 0	\$ 499,942	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 4,699	\$ 0	\$ 4,699	(Sch 3)
170	.20-.39	Fringe Benefits	6800	1,434	0	1,434	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 6,133	\$ 0	\$ 6,133	
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	
		Subtotal 155 - 174		\$ 1,923,281	\$ (329,091)	\$ 1,594,190	
200		Total		\$ 7,228,876	\$ (110,424)	\$ 7,118,452	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 213,960	
-----	------	---	------	--	--	------------	--

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

Provider Name							Fiscal Period			NPI		Adjustments
TWIN OAKS REHAB AND NURSING CENTER							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012			1679710719		15
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	Not Reported			8	210	N/A	Total Facility Group Health Insurance To include total facility group health insurance for informational purposes. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$0	\$213,960	\$213,960		

Provider Name							Fiscal Period	NPI	Adjustments		
TWIN OAKS REHAB AND NURSING CENTER							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	1679710719	15		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No					
RECLASSIFICATIONS OF REPORTED COSTS											
2	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor	\$30,015	(\$952)	\$29,063	
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor	19,680	(1,319)	18,361	
	10.5	075	4	8A-1	075	4	Patient Supplies - Other - Nonlabor	50,250	(1,525)	48,725	
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	258,312	(10,338)	247,974 *	
	10.5	160	4	8A-1	160	4	Activities - Other - Nonlabor	1,864	(82)	1,782	
	10.5	010	1	8A-1	010	1	Housekeeping - Salaries and Wages	94,356	952	95,308	
	10.5	060	1	8A-1	060	1	Laundry and Linen - Salaries and Wages	60,616	1,319	61,935	
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	1,869,589	11,863	1,881,452 *	
	10.5	160	1	8A-1	160	1	Activities - Salaries and Wages	83,033	82	83,115	
							To reclassify salaries expense to appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
3	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* \$247,974	(\$6,987)	\$240,987 *	
	10.5	085	4	8A-1	085	4	Pharmacy - Other - Nonlabor	318,908	1,857	320,765	
	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	110,551	5,130	115,681 *	
							To reclassify items not included in the routine rate to the appropriate ancillary cost centers. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 51511(c)				
4	10.5	155	4	8A-1	155	4	Social Services - Other - Nonlabor	\$5,726	(\$5,618)	\$108	
	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	* 115,681	5,618	121,299	
							To reclassify IV supplies expense to the appropriate ancillary cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2202.8, 2203.2, 2300 and 2304 CCR, Title 22, Section 51511				

Provider Name							Fiscal Period		NPI		Adjustments	
TWIN OAKS REHAB AND NURSING CENTER							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012		1679710719		15	
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						
ADJUSTMENTS TO REPORTED COSTS												
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	\$878,940				
5							To reconcile the reported expenses to agree with the provider's trial balance. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		\$328			
6							To adjust estimated accrued data processing expense to agree with the actual expense. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(1,188)			
7							To eliminate bank charges not related to patient care. 42 CFR 413.9(c)(3), 413.20 and 413.24 CMS Pub. 15-1, Sections 2102.3, 2122.1, 2300 and 2304		(797)	(\$1,657)	\$877,283 *	
8	10.5	040	4	8A-1	040	4	Property Taxes To adjust property tax expense to agree with the property tax bills. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$98,453	(\$2,725)		\$95,728	
9	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor To eliminate utilization review committee fees due to insufficient documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	* \$240,987	(\$77,000)		\$163,987	

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI	Adjustments		
TWIN OAKS REHAB AND NURSING CENTER							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	1679710719	15		
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>ADJUSTMENTS TO REPORTED COSTS</u>											
10	10.5	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment	\$0	\$313,571	\$313,571	
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	* 1,881,452	(20,797)	1,860,655	
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	203,382	(27,026)	176,356	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	* 877,283	(294,790)	582,493	
							To adjust reported Home Office cost allocation to agree with Moyle Central Valley Healthcare and Magnolia Health Corporation audit reports for fiscal period ended December 31, 2012. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI	Adjustments		
TWIN OAKS REHAB AND NURSING CENTER							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	1679710719	15		
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>ADJUSTMENTS TO REPORTED PATIENT DAYS</u>											
	4.1	5	2	1	15		Medi-Cal Days - Skilled Nursing Care	24,225			
11							To adjust reported Medi-Cal Nursing Facility days based on the following Fiscal Intermediary Payment Data: Service Period: January 1, 2012 through December 31, 2012 Payment Period: January 1, 2012 through September 30, 2013 Report Date: October 3, 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 51511		(119)		
12							To adjust Medi-Cal days to agree with the prior year audit recoupment of overpayment that was done during credit balance review. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304		(2) (121)	24,104	
13	Not Reported			1	16		Medi-Cal Managed Care Days - Skilled Nursing Care To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	184	184	

Provider Name							Fiscal Period			NPI		Adjustments
TWIN OAKS REHAB AND NURSING CENTER							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012			1679710719		15
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>ADJUSTMENTS TO OTHER MATTERS</u>												
	Not Reported			1	14		Medi-Cal Overpayments	\$0				
14							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1		\$5,326			
15							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>31,464</u> \$36,790	\$36,790		