

**REPORT  
ON THE  
RATE SETTING AUDIT**

**VILLA OAKS CONVALESCENT HOSPITAL  
PASADENA, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1538228630**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2012**

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

**Section Chief: Allen Dervi  
Audit Supervisor: Henry Kwan  
Auditor: William Zhu**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

June 10, 2014

Julie Mosteller, Consultant  
Axiom Healthcare Group  
9534 Topanga Canyon Boulevard  
Chatsworth, CA 91311

VILLA OAKS CONVALESCENT HOSPITAL  
NATIONAL PROVIDER IDENTIFIER (NPI) 1538228630  
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 \$25,956, which resulted from Medi-Cal overpayments

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

Julie Mosteller  
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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:

Lisa Alder, Chief  
Department of Health Care Services  
Office of Administrative Hearings and Appeals  
MS 0017  
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—Burbank at (818) 295-2620.

**Original Signed By**

Allen Dervi, Chief  
Audits Section—Burbank  
Financial Audits Branch

Certified

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

## Provider Name:

VILLA OAKS CONVALESCENT HOSPITAL

## Fiscal Period:

JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

## NPI:

1538228630

## OSHPD Facility No.:

206190389

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SKILLED NURSING CARE</b>				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ N/A	\$ 992,480	\$ 64.07
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 413,993	\$ 26.73
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 288,025	\$ 18.59
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 6,704	\$ 0.43
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 12,793	\$ 0.83
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 12,731	\$ 0.82
7	Professional Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 47,920	\$ 3.09
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 199,557	\$ 12.88
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 253,078	\$ 16.34
11	Cost of Routine Service/Audited Total Costs	\$ 2,248,522	\$ 2,227,280	\$ 143.79
12	Total Patient Days (Adj )	15,490	15,490	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 145.16	\$ 143.79	
14	Overpayments (Adj 12)	\$ 0	\$ (25,956)	
15	Medi-Cal Days (Adj 11)	12,736	12,130	
16	Medi-Cal Managed Care Days (Adj )		0	
<b>INTERMEDIATE CARE</b>				
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
18	Total Patient Days (Adj )	0	0	
19	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
20	Overpayments (Adj )	\$ 0	\$ 0	
21	Medi-Cal Days (Adj )	0	0	
<b>MENTALLY DISORDERED CARE</b>				
22	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
23	Total Patient Days (Adj )	0	0	
24	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
25	Overpayments (Adj )	\$ 0	\$ 0	
<b>DEVELOPMENTALLY DISABLED CARE</b>				
26	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
27	Total Patient Days (Adj )	0	0	
28	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
29	Overpayments (Adj )	\$ 0	\$ 0	
30	Medi-Cal Days (Adj )	0	0	
<b>SUBACUTE CARE</b>				
31	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	\$ N/A	\$ 0	\$ 0.00
32	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	\$ N/A	\$ 0	\$ 0.00
33	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	\$ N/A	\$ 0	\$ 0.00
34	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	\$ N/A	\$ 0	\$ 0.00
35	Property Taxes (Subacute Care Sch. 1, Ln. 29)	\$ N/A	\$ 0	\$ 0.00
36	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	\$ N/A	\$ 0	\$ 0.00
37	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	\$ N/A	\$ 0	\$ 0.00
38	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00
39	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	\$ N/A	\$ 0	\$ 0.00
40	Cost of Administration (Subacute Care Sch.1, Ln. 34)	\$ N/A	\$ 0	\$ 0.00
41	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
42	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
43	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
44	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	\$ 0	\$ 0	

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

**Provider Name:**  
VILLA OAKS CONVALESCENT HOSPITAL

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

**NPI:**  
1538228630

**OSHPD Facility No.:**  
206190389

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
<b>SUBACUTE CARE - PEDIATRIC</b>				
45	Cost of Routine Service (Subacute Care - Pediatric, Sch. 1, Ln 3)	\$ 0	\$ 0	
46	Cost of Ancillary Service (Subacute Care - Pediatric, Sch. 1, Ln. 1 + Ln. 2)	\$ 0	\$ 0	
47	Total Cost of Subacute Care - Pediatric Service (Ln. 43 + Ln. 44)	\$ 0	\$ 0	
48	Total Patient Days (Subacute Care - Pediatric, Sch. 1, Ln. 5)	0	0	
49	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
50	Amount Due Provider (State) (Subacute Care - Pediatric, Sch. 1, Ln. 9)	\$ 0	\$ 0	
<b>TRANSITIONAL INPATIENT CARE</b>				
51	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
52	Total Patient Days (Adj )	0	0	
53	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
54	Overpayments (Adj )	\$ 0	\$ 0	
<b>HOSPICE INPATIENT CARE</b>				
55	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
56	Total Patient Days (Adj )	0	0	
57	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
58	Overpayments (Adj )	\$ 0	\$ 0	
<b>OTHER ROUTINE SERVICES</b>				
59	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
60	Total Patient Days (Adj )	0	0	
61	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
62	Overpayments (Adj )	\$ 0	\$ 0	

**ALLOCATION OF GENERAL SERVICES  
DIRECT CARE LABOR**

**Provider Name:**  
VILLA OAKS CONVALESCENT HOSPITAL

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

**NPI:**  
1538228630

**OSHPD Facility No.:**  
206190389

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	\$ 28,286	\$ 28,286		
160	Activities	27,706		\$ 27,706	
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	89,914	0	0	89,914
081	Respiratory Therapy	0	0	0	0
082	Occupational Therapy	69,665	0	0	69,665
083	Speech Pathology	8,039	0	0	8,039
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	936,488	28,286	27,706	992,480 *
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>\$ 1,160,098</b>	<b>\$ 28,286</b>	<b>\$ 27,706</b>	<b>\$ 1,160,098</b>

\* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
INDIRECT CARE LABOR

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities	Inserv. Ed	Accumulated Costs	Admin	Medical Records	Total
			005	010	060	065	155	160	170		165	166	
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 55,730	\$ 55,730										
010	Housekeeping	72,673	894	\$ 73,567									
060	Laundry and Linen	60,665	0	0	\$ 60,665								
065	Dietary	160,420	5,562	7,462	0	\$ 173,444							
155	Social Services	N/A	629	844	0	0	\$ 1,473						
160	Activities	N/A	3,064	4,110	0	0	0	\$ 7,174					
165	Administration	N/A	1,441	1,933	0	0	0	0		\$ 3,373	\$ 3,373		
166	Medical Records	38,157	0	0	0	0	0	0		38,157		\$ 38,157	
170	Inservice Education - Nursing	32,120	3,419	4,587	0	0	0	0	\$ 40,127				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies		0	0	0	0	0	0	0	0	28	320	\$ 348
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	14	161	175
080	Physical Therapy		0	0	0	0	0	0	0	0	158	1,782	1,939
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy		0	0	0	0	0	0	0	0	122	1,381	1,503
083	Speech Pathology		0	0	0	0	0	0	0	0	14	159	173
085	Pharmacy		109	147	0	0	0	0	0	256	85	966	1,307
090	Laboratory		0	0	0	0	0	0	0	0	10	112	122
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	15	165	179
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		40,612	54,484	60,665	173,444	1,473	7,174	40,127	377,978	2,925	33,089	413,993 *
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	0	0	0	0	0	0	0	2	23	25
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 419,765	\$ 55,730	\$ 73,567	\$ 60,665	\$ 173,444	\$ 1,473	\$ 7,174	\$ 40,127	\$ 378,235	\$ 3,373	\$ 38,157	\$ 419,765

(To Schedule 1)

ALLOCATION OF GENERAL SERVICES  
OTHER - NONLABOR

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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
<b>GENERAL SERVICES</b>													
005	Plant Operations and Maintenance	\$ 69,539	\$ 69,539										
010	Housekeeping	9,201	1,115	\$ 10,316									
060	Laundry and Linen	8,975	0	0	\$ 8,975								
065	Dietary	88,138	6,940	1,046	0	\$ 96,125							
155	Social Services	2,521	785	118	0	0	\$ 3,424						
160	Activities	4,600	3,823	576	0	0	0	\$ 8,999					
165	Administration	N/A	1,798	271	0	0	0	0		\$ 2,069	\$ 2,069		
166	Medical Records	6,900	0	0	0	0	0	0		6,900		\$ 6,900	
170	Inservice Education - Nursing	171	4,267	643	0	0	0	0	\$ 5,081				
<b>ANCILLARY SERVICES</b>													
075	Patient Supplies	16,127	0	0	0	0	0	0	0	16,127	17	58	\$ 16,202
077	Specialized Support Surfaces	8,113	0	0	0	0	0	0	0	8,113	9	29	8,151
080	Physical Therapy	0	0	0	0	0	0	0	0	0	97	322	419
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	0	0	0	0	0	0	0	0	75	250	324
083	Speech Pathology	0	0	0	0	0	0	0	0	0	9	29	37
085	Pharmacy	48,275	137	21	0	0	0	0	0	48,432	52	175	48,659
090	Laboratory	5,657	0	0	0	0	0	0	0	5,657	6	20	5,683
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	8,318	0	0	0	0	0	0	0	8,318	9	30	8,357
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	99,328	50,675	7,640	8,975	96,125	3,424	8,999	5,081	280,247	1,794	5,984	288,025 *
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	1,179	0	0	0	0	0	0	0	1,179	1	4	1,184
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>\$ 377,042</b>	<b>\$ 69,539</b>	<b>\$ 10,316</b>	<b>\$ 8,975</b>	<b>\$ 96,125</b>	<b>\$ 3,424</b>	<b>\$ 8,999</b>	<b>\$ 5,081</b>	<b>\$ 368,073</b>	<b>\$ 2,069</b>	<b>\$ 6,900</b>	<b>\$ 377,042</b>

\* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

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

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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 34% Of Total	Property Tax 66% Of Total
<b>GENERAL SERVICES</b>										
	Capital Related (excluding lines 40 & 45)	\$ 6,741	34%							
	Property Tax (line 40)	12,864	66%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 515	\$ 515				
166	Medical Records				0		\$ 0			
170	Inservice Education - Nursing			\$ 1,222						
<b>ANCILLARY SERVICES</b>										
075	Patient Supplies			0	0	4	0	\$ 4	\$ 1	\$ 3
077	Specialized Support Surfaces			0	0	2	0	2	1	1
080	Physical Therapy			0	0	24	0	24	8	16
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	19	0	19	6	12
083	Speech Pathology			0	0	2	0	2	1	1
085	Pharmacy			0	39	13	0	52	18	34
090	Laboratory			0	0	2	0	2	1	1
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	2	0	2	1	1
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			1,222	19,051	447	0	19,497	6,704	12,793 *
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	0	0	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	<b>TOTAL</b>	\$ 19,605	100%	\$ 1,222	\$ 19,090	\$ 515	\$ 0	\$ 19,605	\$ 6,741	\$ 12,864

\* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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. 49% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 9% of Total	Quality Assur. Fees 39% of Total	Caregiver Training 0% of Total
<b>GENERAL SERVICES</b>														
045	Property Insurance	\$ 16,042												
055	Interest - Other	1,161												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	274,636												
	Total Costs Allocable as Administration	291,839	49%											
167	CDPH Licensing Fees	14,681	2%											
168	Professional Liability Insurance	55,259	9%											
169	Quality Assurance Fees	230,121	39%											
174	Caregiver Training	0	0%											
	Total	591,900	100%						\$ 591,900					
<b>ANCILLARY SERVICES</b>														
075	Patient Supplies			\$ 0	\$ 0	\$ 16,127	\$ 0	\$ 16,127	4,957	\$ 2,444	\$ 123	\$ 463	\$ 1,927	\$ 0
077	Specialized Support Surfaces			0	0	8,113	0	8,113	2,494	1,230	62	233	970	0
080	Physical Therapy			89,914	0	0	0	89,914	27,640	13,628	686	2,580	10,746	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			69,665	0	0	0	69,665	21,415	10,559	531	1,999	8,326	0
083	Speech Pathology			8,039	0	0	0	8,039	2,471	1,218	61	231	961	0
085	Pharmacy			0	256	48,432	39	48,727	14,979	7,385	372	1,398	5,824	0
090	Laboratory			0	0	5,657	0	5,657	1,739	857	43	162	676	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	8,318	0	8,318	2,557	1,261	63	239	994	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			992,480	377,978	280,247	19,051	1,669,756	513,285	253,078	12,731	47,920	199,557	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	0	1,179	0	1,179	362	179	9	34	141	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	<b>SUBTOTAL</b>	\$ 591,900		\$ 1,160,098	\$ 378,235	\$ 368,073	\$ 19,090	\$ 1,925,496	\$ 591,900					
	Total Administrative Costs							\$ 591,900		\$ 291,839	\$ 14,681	\$ 55,259	\$ 230,121	\$ 0
	Unit Cost Multiplier							0.30740134						
	Accumulated Administration Costs (Sch 2 thru 5)				\$ 41,530	\$ 8,969	\$ 515	\$ 51,014						
	<b>TOTAL FACILITY COSTS</b>							\$ 2,568,410						

\* (To Schedule 1)

## STATISTICS FOR COST ALLOCATION

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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)
	<b>GENERAL SERVICES</b>										
005	Plant Operations and Maintenance										
010	Housekeeping	98	98								
060	Laundry and Linen										
065	Dietary	610	610	610							
155	Social Services	69	69	69							
160	Activities	336	336	336							
165	Administration	158	158	158							
166	Medical Records										
170	Inservice Education - Nursing	375	375	375							
	<b>ANCILLARY SERVICES</b>										
075	Patient Supplies									16,127	16,127
077	Specialized Support Surfaces									8,113	8,113
080	Physical Therapy									89,914	89,914
081	Respiratory Therapy									0	0
082	Occupational Therapy									69,665	69,665
083	Speech Pathology									8,039	8,039
085	Pharmacy	12	12	12						48,727	48,727
090	Laboratory									5,657	5,657
095	Home Health Services									0	0
100	Other Ancillary Services									8,318	8,318
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	<b>ROUTINE SERVICES</b>										
105	Skilled Nursing Care	4,454	4,454	4,454	150,460	45,138	1,035,816	1,035,816	1,035,816	1,669,756	1,669,756
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									1,179	1,179
145	Other Nonreimbursable									0	0
	<b>TOTAL STATISTICS</b>	6,112	6,112	6,014	150,460	45,138	1,035,816	1,035,816	1,035,816	1,925,496	1,925,496
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 28,286 0.027307939	\$ 27,706 0.026747994			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 55,730 9.11812827	\$ 73,567 12.23255347	\$ 60,665 0.40319686	\$ 173,444 3.84252550	\$ 1,473 0.00142226	\$ 7,174 0.00692578	\$ 40,127 0.03873903	\$ 3,373 0.00175197	\$ 38,157 0.01981671
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 69,539 11.37745419	\$ 10,316 1.71532932	\$ 8,975 0.05965041	\$ 96,125 2.12957149	\$ 3,424 0.00330600	\$ 8,999 0.00868801	\$ 5,081 0.00490511	\$ 2,069 0.00107435	\$ 6,900 0.00358349
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 19,605 3.20762435	\$ - 0.00000000	\$ 314 0.05226924	\$ - 0.00000000	\$ 1,989 0.04405457	\$ 225 0.00021716	\$ 1,095 0.00105745	\$ 1,222 0.00118019	\$ 515 0.00026750	\$ - 0.00000000

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

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

NPI:  
1538228630

OSHPD Facility Number:  
206190389

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 42,527	\$ 0	\$ 42,527	(Sch 3)
005	.20-.39	Fringe Benefits	6200	13,203	0	13,203	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	72,205	(2,666)	69,539	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 127,935	\$ (2,666)	\$ 125,269	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 7,437	\$ 0	\$ 7,437	(Sch 3)
010	.20-.39	Fringe Benefits	6300	2,335	0	2,335	(Sch 3)
010	.79	Agency Staff	6300	63,088	(187)	62,901	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	9,014	187	9,201	(Sch 4)
010		Housekeeping - Total	6300	\$ 81,874	\$ 0	\$ 81,874	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 0	\$ 0	\$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	0	0	0	(Sch 5)
025		Depreciation: Equipment	7140	0	0	0	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	0	5,624	5,624	(Sch 5)
040		Property Taxes	7300	12,864	0	12,864	(Sch 5)
045		Property Insurance	7400	16,042	0	16,042	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500	0	1,117	1,117	(Sch 5)
055		Interest - Other	7600	0	1,161	1,161	(Sch 6)
057		<b>Subtotal 005 - 055</b>		\$ 238,715	\$ 5,236	\$ 243,951	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 22,834	\$ 0	\$ 22,834	(Sch 3)
060	.20-.39	Fringe Benefits	6400	6,357	0	6,357	(Sch 3)
060	.79	Agency Staff	6400	31,704	(230)	31,474	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	9,211	(236)	8,975	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 70,106	\$ (466)	\$ 69,640	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 131,390	\$ 0	\$ 131,390	(Sch 3)
065	.20-.39	Fringe Benefits	6500	29,030	0	29,030	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	88,134	4	88,138	(Sch 4)
065		Dietary - Total	6500	\$ 248,554	\$ 4	\$ 248,558	
070		Provision for Bad Debts	7700	\$ 0	\$ 0	\$ 0	
		<b>Ancillary Services</b>					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 0	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	0	0	0	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	16,127	0	16,127	(Sch 4)
075		Patient Supplies - Total	8100	\$ 16,127	\$ 0	\$ 16,127	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	0	8,113	8,113	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 8,113	\$ 8,113	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

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

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	89,914	0	89,914	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	0	0	0	(Sch 4)
080		Physical Therapy - Total	8200	\$ 89,914	\$ 0	\$ 89,914	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	0	0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	\$ 0	\$ 0	\$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	69,665	0	69,665	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	0	0	0	(Sch 4)
082		Occupational Therapy - Total	8250	\$ 69,665	\$ 0	\$ 69,665	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	8,039	0	8,039	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	0	0	0	(Sch 4)
083		Speech Pathology - Total	8280	\$ 8,039	\$ 0	\$ 8,039	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300	0	0	0	(Sch 2)
085	.79	Agency Staff	8300	0	0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	48,275	0	48,275	(Sch 4)
085		Pharmacy - Total	8300	\$ 48,275	\$ 0	\$ 48,275	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	5,657	0	5,657	(Sch 4)
090		Laboratory - Total	8400	\$ 5,657	\$ 0	\$ 5,657	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	(Sch 4)
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	8,318	0	8,318	(Sch 4)
100		Other Ancillary Services - Total	8900	\$ 8,318	\$ 0	\$ 8,318	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

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

NPI:  
1538228630

OSHPD Facility Number:  
206190389

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	
104		Subtotal 075 - 102		\$ 245,995	\$ 8,113	\$ 254,108	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 590,264	\$ 0	\$ 590,264	(Sch 2)
105	.20-.39	Fringe Benefits	6110	143,434	0	143,434	(Sch 2)
105	.49	Agency Staff	6110	202,790	0	202,790	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	114,030	(14,702)	99,328	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 1,050,518	\$ (14,702)	\$ 1,035,816	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	0	0	
110		Intermediate Care - Total	6120	\$ 0	\$ 0	\$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	\$ 0	\$ 0	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	0	0	
115		Mentally Disordered Care - Total	6130	\$ 0	\$ 0	\$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	\$ 0	\$ 0	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	0	0	
120		Developmentally Disabled Care - Total	6140	\$ 0	\$ 0	\$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	\$ 0	\$ 0	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	0	0	(Sch 4)
125		Subacute Care - Total	6150	\$ 0	\$ 0	\$ 0	
126		Subacute Care - Pediatric					
126	.01-.19	Salaries and Wages	6160	\$ 0	\$ 0	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	\$ 0	\$ 0	\$ 0	

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

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

NPI:  
1538228630

OSHPD Facility Number:  
206190389

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED
128		Transitional Inpatient Care				
128	.01-.19	Salaries and Wages	6170	\$ 0	\$ 0	\$ 0
128	.20-.39	Fringe Benefits	6170	0	0	0
128	.49	Agency Staff	6170	0	0	0
128	.40-.99	Other - Nonlabor	6170	0	0	0
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0
130		Hospice Inpatient Care				
130	.01-.19	Salaries and Wages	6180	\$ 0	\$ 0	\$ 0
130	.20-.39	Fringe Benefits	6180	0	0	0
130	.49	Agency Staff	6180	0	0	0
130	.40-.99	Other - Nonlabor	6180	0	0	0
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0
135		Other Routine Services				
135	.01-.19	Salaries and Wages	6190	\$ 0	\$ 0	\$ 0
135	.20-.39	Fringe Benefits	6190	0	0	0
135	.49	Agency Staff	6190	0	0	0
135	.40-.99	Other - Nonlabor	6190	0	0	0
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0
		<b>Other Nonreimbursable</b>				
139		Residential Care				
139	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0
139	.20-.39	Fringe Benefits	9100	0	0	0
139	.49	Agency Staff	9100	0	0	0
139	.40-.99	Other - Nonlabor	9100	0	0	0
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0
140	.20-.39	Fringe Benefits	8900	0	0	0
140	.49	Agency Staff	8900	0	0	0
140	.40-.99	Other - Nonlabor	8900	1,179	0	1,179
140		Beauty and Barber - Total	8900	\$ 1,179	\$ 0	\$ 1,179
145		Other Nonreimbursable				
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0
145	.20-.39	Fringe Benefits	9100	0	0	0
145	.49	Agency Staff	9100	0	0	0
145	.40-.99	Other - Nonlabor	9100	0	0	0
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0
146		<b>Subtotal 105 - 145</b>		\$ 1,051,697	\$ (14,702)	\$ 1,036,995
155		Social Services				
155	.01-.19	Salaries and Wages	6600	\$ 22,884	\$ 0	\$ 22,884
155	.20-.39	Fringe Benefits	6600	5,402	0	5,402
155	.49	Agency Staff	6600	0	0	0
155	.40-.99	Other - Nonlabor	6600	2,521	0	2,521
155		Social Services - Total	6600	\$ 30,807	\$ 0	\$ 30,807

## SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

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

NPI:  
1538228630

OSHPD Facility Number:  
206190389

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	\$ 22,076	\$ 0	\$ 22,076	(Sch 2)
160	.20-.39	Fringe Benefits	6700	5,630	0	5,630	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	4,600	0	4,600	(Sch 4)
160		Activities - Total	6700	\$ 32,306	\$ 0	\$ 32,306	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 94,157	\$ 0	\$ 94,157	(Sch 6)
165	.20-.39	Fringe Benefits	6900	17,963	0	17,963	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	166,512	(3,996)	162,516	(Sch 6)
165		Administration - Total	6900	\$ 278,632	\$ (3,996)	\$ 274,636	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	\$ 32,648	\$ 0	\$ 32,648	(Sch 3)
166	.20-.39	Fringe Benefits	6900	5,509	0	5,509	(Sch 3)
166	.49	Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	6,900	0	6,900	(Sch 4)
166		Medical Records - Total	6900	\$ 45,057	\$ 0	\$ 45,057	
167		CDPH Licensing Fees	6900	\$ 14,681	\$ 0	\$ 14,681	(Sch 6)
168		Professional Liability Insurance	6900	\$ 56,823	\$ (1,564)	\$ 55,259	(Sch 6)
169		Quality Assurance Fees	6900	\$ 230,121	\$ 0	\$ 230,121	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 27,301	\$ 0	\$ 27,301	(Sch 3)
170	.20-.39	Fringe Benefits	6800	4,819	0	4,819	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	171	0	171	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 32,291	\$ 0	\$ 32,291	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		<b>Subtotal 155 - 174</b>		\$ 720,718	\$ (5,560)	\$ 715,158	
200		<b>Total</b>		\$ 2,575,785	\$ (7,375)	\$ 2,568,410	

210	0.24	Total Facility Group Health Insurance * (Adj 1)	6900			\$ 13,637
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\* For informational purposes only, this amount is included in various cost centers above.



Provider Name:  
VILLA OAKS CONVALESCENT HOSPITAL

NPI:  
1538228630

OSHPD Facility Number:  
206190389 JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

Fiscal Period:

Line No.	Sub No.	TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	0							
083	3	Speech Pathology - Agency Staff	0							
083	4	Speech Pathology - Other - Nonlabor	0							
085	1	Pharmacy - Salaries and Wages	0							
085	2	Pharmacy - Fringe Benefits	0							
085	3	Pharmacy - Agency Staff	0							
085	4	Pharmacy - Other - Nonlabor	0							
090	1	Laboratory - Salaries and Wages	0							
090	2	Laboratory - Fringe Benefits	0							
090	3	Laboratory - Agency Staff	0							
090	4	Laboratory - Other - Nonlabor	0							
095	1	Home Health Services - Salaries and Wages	0							
095	2	Home Health Services - Fringe Benefits	0							
095	3	Home Health Services - Agency Staff	0							
095	4	Home Health Services - Other - Nonlabor	0							
100	1	Other Ancillary Services - Salaries and Wages	0							
100	2	Other Ancillary Services - Fringe Benefits	0							
100	3	Other Ancillary Services - Agency Staff	0							
100	4	Other Ancillary Services - Other - Nonlabor	0							
101	1	Subacute Care Ancillary Services - Salaries and Wages	0							
101	2	Subacute Care Ancillary Services - Fringe Benefits	0							
101	3	Subacute Care Ancillary Services - Agency Staff	0							
101	4	Subacute Care Ancillary Services - Other - Nonlabor	0							
102	1	Subacute Pediatric Ancillary Services - Salaries and Wages	0							
102	2	Subacute Pediatric Ancillary Services - Fringe Benefits	0							
102	3	Subacute Pediatric Ancillary Services - Agency Staff	0							
102	4	Subacute Pediatric Ancillary Services - Other - Nonlabor	0							
105	1	Skilled Nursing Care - Salaries and Wages	0							
105	2	Skilled Nursing Care - Fringe Benefits	0							
105	3	Skilled Nursing Care - Agency Staff	0							
105	4	Skilled Nursing Care - Other - Nonlabor	(14,702)		(454)	(8,113)				(6,135)
110	1	Intermediate Care - Salaries and Wages	0							
110	2	Intermediate Care - Fringe Benefits	0							
110	3	Intermediate Care - Agency Staff	0							
110	4	Intermediate Care - Other - Nonlabor	0							
115	1	Mentally Disordered Care - Salaries and Wages	0							
115	2	Mentally Disordered Care - Fringe Benefits	0							
115	3	Mentally Disordered Care - Agency Staff	0							
115	4	Mentally Disordered Care - Other - Nonlabor	0							
120	1	Developmentally Disabled Care - Salaries and Wages	0							
120	2	Developmentally Disabled Care - Fringe Benefits	0							
120	3	Developmentally Disabled Care - Agency Staff	0							
120	4	Developmentally Disabled Care - Other - Nonlabor	0							
125	1	Subacute Care - Salaries and Wages	0							
125	2	Subacute Care - Fringe Benefits	0							



Provider Name:  
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NPI:  
1538228630

OSHPD Facility Number:  
206190389

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

Line No.	Sub No.	TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
167	4	CDPH Licensing Fees	0							
168	4	Professional Liability Insurance	(1,564)					(1,161)	(403)	
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	0							
170	3	Inservice Education - Nursing - Agency Staff	0							
170	4	Inservice Education - Nursing - Other - Nonlabor	0							
174	1	Caregiver Training - Salaries and Wages	0							
174	2	Caregiver Training - Fringe Benefits	0							
174	3	Caregiver Training - Agency Staff	0							
174	4	Caregiver Training - Other - Nonlabor	0							
200		Total	<u>(\$7,375)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(403)</u>	<u>(6,135)</u>
			(To Sch 8)							









Provider Name							Fiscal Period			NPI		Adjustments
VILLA OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012			1538228630		12
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 group health insurance costs for informational purposes. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304			\$0	\$13,637	\$13,637

Provider Name							Fiscal Period	NPI	Adjustments		
VILLA OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	1538228630	12		
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					
<b>RECLASSIFICATIONS OF REPORTED COSTS</b>											
2	10.5	010	3	8A-1	010	3	Housekeeping - Agency Staff	\$63,088	(\$187)	\$62,901	
	10.5	060	3	8A-1	060	3	Laundry and Linen - Agency Staff	31,704	(230)	31,474	
	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor	9,014	187	9,201	
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor	9,211	230	9,441 *	
							To reclassify housekeeping and laundry supply expense to the appropriate cost centers. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				
3	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	\$114,030	(\$454)	\$113,576 *	
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	88,134	454	88,588 *	
							To reclassify dietary related expense to the appropriate cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				
4	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	* \$113,576	(\$8,113)	\$105,463 *	
	10.5	077	4	8A-1	077	4	Specialized Support Surfaces - Other - Nonlabor	0	8,113	8,113	
							To reclassify specialized support mattress expense to the appropriate cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8				
5	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	\$72,205	(\$2,666)	\$69,539	
	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor	* 9,441	(466)	8,975	
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor	* 88,588	(450)	88,138	
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	166,512	(2,042)	164,470 *	
	10.5	035	4	8A-1	035	4	Leases and Rentals	0	5,624	5,624	
							To reclassify rental expense to the appropriate cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8 CCR, Title 22, Sections 52000(e) and 52501				

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		NPI		Adjustments	
VILLA OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012		1538228630		12	
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						
<b>RECLASSIFICATIONS OF REPORTED COSTS</b>												
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	\$164,470	(\$1,117)	\$163,353	*
	10.5	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment		0	1,117	1,117	
							To reclassify capital related interest expense to the appropriate cost center.					
							42 CFR 413.20 and 413.24					
							CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8					
							CCR, Title 22, Sections 52000(e) and 52501					
7	10.5	168	4	8A-1	168	4	Professional Liability Insurance		\$56,823	(\$1,161)	\$55,662	*
	10.5	055	4	8A-1	055	4	Interest - Other		0	1,161	1,161	
							To reclassify finance charges to the appropriate cost center.					
							42 CFR 413.20 and 413.24					
							CMS Pub. 15-1, Sections 2300, 2302.4, and 2302.8					
							CCR, Title 22, Sections 52000(b), 52501, and 52507					

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI	Adjustments		
VILLA OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	1538228630	12		
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					
<b><u>ADJUSTMENTS TO REPORTED COSTS</u></b>											
8	10.5	168	4	8A-1	168	4	Professional Liability Insurance To adjust liability insurance expense to agree with the liability insurance invoices. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304	*	\$55,662	(\$403)	\$55,259
9	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor To eliminate dermatology expenses not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3 and 2105	*	\$105,463	(\$6,135)	\$99,328
10	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor To eliminate advertising costs not related to patient care. 42 CFR 413.9(c)(3) CMS Pub. 15-1, Sections 2102.3, 2136, and 2136.2	*	\$163,353	(\$837)	\$162,516

\*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	NPI		Adjustments
VILLA OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012	1538228630		12
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				
11	4.1	5	2	1	15	<p><u>ADJUSTMENT TO REPORTED PATIENT DAYS</u></p> <p>Medi-Cal Days                      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 June 30, 2013                      Report Date: July 18, 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</p>	12,736	(606)	12,130	

Provider Name							Fiscal Period			NPI		Adjustments
VILLA OAKS CONVALESCENT HOSPITAL							JANUARY 1, 2012 THROUGH DECEMBER 31, 2012			1538228630		12
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						
<b><u>ADJUSTMENT TO OTHER MATTERS</u></b>												
12	Not Reported			1	14		Overpayments 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, Section 2409 CCR, Title 22, 51458.1			\$0	\$25,956	\$25,956