

**REPORT
ON THE
COST REPORT REVIEW**

**ARROYO GRANDE COMMUNITY HOSPITAL
ARROYO GRANDE, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1770659336**

**FISCAL PERIOD ENDED
JUNE 30, 2010**

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

**Section Chief: Michael Harrold
Audit Supervisor: Linda King
Auditor: Kathryn Rodrigues**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

August 8, 2013

Eddie Arvayo, CPA
Dignity Health
251 South Lake Avenue, Suite 700
Pasadena, CA 91101

ARROYO GRANDE COMMUNITY HOSPITAL
NATIONAL PROVIDER IDENTIFIER (NPI) 1770659336
FISCAL PERIOD ENDED JUNE 30, 2010

We have examined the provider's Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and 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 audited combined settlement for the fiscal period due the provider in the amount of \$7,946, and the audited costs presented in the Summary of Findings represent a proper determination in accordance with the reimbursement principles of applicable programs.

This audit report includes the:

1. Summary of Findings
2. Computation of Medi-Cal Reimbursement Settlement (NONCONTRACT Schedules)
3. Computation of Medi-Cal Cost (CONTRACT Schedules)
4. Computation of Distinct Part Nursing Facility Per Diem (DPNF Schedules)
5. Audited Allocation of Home Office Cost
6. Audit Adjustments Schedule

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

Future long-term care prospective rates may be affected by this examination. The extent of the rate changes will be determined by the Department's Medi-Cal Benefits, Waiver Analysis and Rates 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.

Eddie Arvayo
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

SUMMARY OF FINDINGS

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

	SETTLEMENT	COST
1. Medi-Cal Noncontract Settlement (SCHEDULE 1) Provider No. HSC30016J		
Reported	\$ (12,128)	
Net Change	\$ 20,074	
Audited Amount Due Provider (State)	\$ 7,946	
2. Subprovider I (SCHEDULE 1-1) Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
3. Subprovider II (SCHEDULE 1-2) Provider No.		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
4. Medi-Cal Contract Cost (CONTRACT SCH 1) Provider No. HSC30016J		
Reported		\$ 0
Net Change		\$ 3,356
Audited Cost		\$ 3,356
Audited Amount Due Provider (State)	\$ 0	
5. Distinct Part Nursing Facility (DPNF SCH 1) Provider No. LTC55721F		
Reported		\$ 887.49
Net Change		\$ (9.73)
Audited Cost Per Day		\$ 877.76
Audited Amount Due Provider (State)	\$ 0	
6. Distinct Part Nursing Facility (DPNF SCH 1-1) Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
7. Adult Subacute (ADULT SUBACUTE SCH 1) Provider No.		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
8. Total Medi-Cal Settlement Due Provider (State) - (Lines 1 through 7)	\$ 7,946	
9. Total Medi-Cal Cost		\$ 3,356

SUMMARY OF FINDINGS

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

		SETTLEMENT	COST
10. Subacute (SUBACUTE SCH 1-1) Provider No.	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
11. Rural Health Clinic (RHC SCH 1) Provider No.	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
12. Rural Health Clinic (RHC 95-210 SCH 1) Provider No.	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
13. Rural Health Clinic (RHC 95-210 SCH 1-1) Provider No.	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
14. County Medical Services Program (CMSP SCH 1) Provider No.	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
15. Transitional Care (TC SCH 1) Provider No.	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
16. Total Other Settlement Due Provider - (Lines 10 through 15)		\$ 0	
17. Total Combined Audited Settlement Due Provider (State/CMSP/RHC) - (Line 8 + Line 16)		\$ 7,946	

COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT
AB 5 and AB 1183 - SUMMARY OF REDUCTIONS

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

FISCAL PERIOD ENDED:
JUNE 30, 2010

Provider No.
ZZT30016J

1.	10% Reduction to Noncontract Services for 07/01/08 Through 9/30/08 (SCHEDULE A-1)	\$ <u>0</u>
2.	Reduction to Noncontract Services for 10/01/08 Through 04/05/09 (SCHEDULE A-2)	<u>0</u>
3.	10% Reduction to Noncontract Services for 04/06/09 Through 04/12/11 (SCHEDULE A-3)	<u>15,841</u>
4.	10% Reduction to HFPAs < 3 Hospitals for 07/01/08 Through 04/12/11 (SCHEDULE A-4)	<u>0</u>
5.	10% Reduction to Rural Health Hospitals for 07/01/08 Through 10/31/08 (SCHEDULE A-5)	<u>0</u>
6.	10% Reduction to Rural Health Hospitals for 07/01/09 Through 02/23/10 (SCHEDULE A-6)	<u>0</u>
7.	Total Noncontract AB 5 AND AB 1183 Reductions	\$ <u><u>15,841</u></u> (To Schedule 1, Line 9)

COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT
AB 5 - 10% REDUCTION TO SERVICES FROM APRIL 6, 2009 THROUGH April 12, 2011 - NONCONTRACT HOSPITALS

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

FISCAL PERIOD ENDED:
JUNE 30, 2010

Provider No.
ZZT30016J

Audited Medi-Cal Cost Per Day

1. Medi-Cal Cost of Covered Services (Schedule 3, Line 8)	\$ <u>158,411</u>
2. Less: Medi-Cal Administrative Day Cost (Schedule 4A, Lines 28 and 31)	<u>0</u>
3. Less: Medi-Cal Administrative Ancillary Cost (Schedule A-7)	<u> </u>
4. Total Medi-Cal Cost of Covered Services Subject to Reductions (Line 1 - Lines 2 and 3)	\$ <u><u>158,411</u></u>
5. Total Audited Medi-Cal Days (Schedules 4, 4A and 4B, excludes Administrative Days)	<u><u>58</u></u>
6. Audited Medi-Cal Cost Per Day (Line 4 / Line 5)	\$ <u><u>2,731.22</u></u>

AB 5 - 10 % Cost Reduction For Services From 04/06/09 Through 04/12/11

7. Audited Medi-Cal Days of Service from 04/06/09 Through 04/12/11(excludes Administrative Days)	<u>58</u>
8. Audited Medi-Cal Cost Per Day For 04/06/09 Through 04/12/11(Line 6 * Line 7)	\$ <u>158,411</u>
9. AB 5 - 10% Cost Reduction for 04/06/09 Through 04/12/11 (Line 8 * 10%)	\$ <u><u>15,841</u></u> (To Schedule A, Line 3)

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

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

FISCAL PERIOD ENDED:
JUNE 30, 2010

Provider No:
LTC55721F

	REPORTED	AUDITED	DIFFERENCE
COMPUTATION OF DISTINCT PART (DP) NURSING FACILITY PER DIEM			
1. Distinct Part Ancillary Cost (DPNF Sch 3)	\$ 0	\$ 0	\$ 0
2. Distinct Part Routine Cost (DPNF Sch 2)	\$ 2,055,429	\$ 2,032,890	\$ (22,539)
3. Total Distinct Part Facility Cost (Lines 1 & 2)	\$ 2,055,429	\$ 2,032,890	\$ (22,539)
4. Total Distinct Part Patient Days (Adj)	2,316	2,316	0
5. Average DP Per Diem Cost (Line 3 / Line 4)	\$ 887.49	\$ 877.76	\$ (9.73)
DPNF OVERPAYMENT AND OVERBILLINGS			
6. Medi-Cal Overpayments (Adj)	\$ 0	\$ 0	\$ 0
7. Medi-Cal Credit Balances (Adj)	\$ 0	\$ 0	\$ 0
8. MEDI-CAL SETTLEMENT Due Provider (State)	\$ 0	\$ 0	\$ 0
	(To Summary of Findings)		
GENERAL INFORMATION			
9. Total Available Distinct Part Beds (C/R, W/S S-3)	12	12	0
10. Total Licensed Capacity (All levels) (Adj)	65	65	0
11. Total Medi-Cal DP Patient Days (Adj)	0	0	0
CAPITAL RELATED COST			
12. Direct Capital Related Cost	N/A	\$ 0	N/A
13. Indirect Capital Related Cost (DPNF Sch 5)	N/A	\$ 193,134	N/A
14. Total Capital Related Cost (Lines 12 & 13)	N/A	\$ 193,134	N/A
TOTAL SALARY & BENEFITS			
15. Direct Salary & Benefits Expenses	N/A	\$ 704,192	N/A
16. Allocated Salary & Benefits (DPNF Sch 5)	N/A	\$ 657,474	N/A
17. Total Salary & Benefits Expenses (Lines 15 & 16)	N/A	\$ 1,361,666	N/A

SUMMARY OF DISTINCT PART FACILITY EXPENSES

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

FISCAL PERIOD ENDED:
JUNE 30, 2010

Provider No:
LTC55721F

COL.	COST CENTER DIRECT AND ALLOCATED EXPENSE	REPORTED *	AUDITED *	DIFFERENCE
0.00	Distinct Part	\$ 784,565	\$ 784,565	\$ 0
1.00	Old Cap Rel Costs-Bldg & Fixtures		0	0
2.00	Old Cap Rel Costs-Movable Equipment		0	0
3.00	New Cap Rel Costs-Bldg & Fixtures	57,078	57,078	(0)
4.00	New Cap Rel Costs-Movable Equipment	102,651	102,651	0
4.01			0	0
4.02			0	0
4.03			0	0
4.04			0	0
4.05			0	0
4.06			0	0
4.07			0	0
4.08			0	0
5.00	Employee Benefits	238,882	234,730	(4,152)
6.01	Non-Patient Telephones		0	0
6.02	Data Processing		0	0
6.03	Purchasing/Receiving		0	0
6.04	Patient Admitting		0	0
6.05	Patient Business Office		0	0
6.06			0	0
6.07			0	0
6.08			0	0
6.00	Administrative and General	263,220	251,113	(12,107)
7.00	Maintenance and Repairs	166,015	164,572	(1,443)
8.00	Operation of Plant		0	0
9.00	Laundry and Linen Service	35,547	35,271	(276)
10.00	Housekeeping	76,861	76,008	(853)
11.00	Dietary	63,393	62,729	(664)
12.00	Cafeteria	45,757	45,278	(479)
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	201,915	199,535	(2,380)
15.00	Central Services & Supply	167	165	(2)
16.00	Pharmacy		0	0
17.00	Medical Records and Library	19,378	19,195	(183)
18.00	Social Service		0	0
19.00			0	0
19.02			0	0
19.03			0	0
20.00			0	0
21.00	Nursing School		0	0
22.00	Intern & Res Service-Salary & Fringes		0	0
23.00	Intern & Res Other Program		0	0
24.00	Paramedical Ed Program		0	0
101.00	TOTAL DIRECT AND ALLOCATED EXPENSES	\$ 2,055,429	\$ 2,032,890	\$ (22,539)

(To DPNF Sch 1)

* From Schedule 8, Part I, line 34 plus line 35.

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

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

FISCAL PERIOD ENDED:
JUNE 30, 2010

Provider No:
LTC55721F

COL.	COST CENTER	AUDITED CAP RELATED * (COL 1)	AUDITED SAL & EMP BENEFITS * (COL 2)
1.00	Old Cap Rel Costs-Bldg & Fixtures	\$ 0	\$ N/A
2.00	Old Cap Rel Costs-Movable Equipment	0	N/A
3.00	New Cap Rel Costs-Bldg & Fixtures	57,078	N/A
4.00	New Cap Rel Costs-Movable Equipment	102,651	N/A
4.01		0	N/A
4.02		0	N/A
4.03		0	N/A
4.04		0	N/A
4.05		0	N/A
4.06		0	N/A
4.07		0	N/A
4.08		0	N/A
5.00	Employee Benefits	1,269	233,460
6.01	Non-Patient Telephones	0	0
6.02	Data Processing	0	0
6.03	Purchasing/Receiving	0	0
6.04	Patient Admitting	0	0
6.05	Patient Business Office	0	0
6.06		0	0
6.07		0	0
6.08		0	0
6.00	Administrative and General	4,110	94,573
7.00	Maintenance and Repairs	10,068	39,773
8.00	Operation of Plant	0	0
9.00	Laundry and Linen Service	101	2,332
10.00	Housekeeping	4,636	52,746
11.00	Dietary	4,210	36,089
12.00	Cafeteria	3,039	26,049
13.00	Maintenance of Personnel	0	0
14.00	Nursing Administration	4,767	164,755
15.00	Central Services & Supply	1	138
16.00	Pharmacy	0	0
17.00	Medical Records and Library	1,203	7,559
18.00	Social Service	0	0
19.00		0	0
19.02		0	0
19.03		0	0
20.00		0	0
21.00	Nursing School	0	0
22.00	Intern & Res Service-Salary & Fringes	0	0
23.00	Intern & Res Other Program	0	0
24.00	Paramedical Ed Program	0	0
101	TOTAL ALLOCATED INDIRECT EXPENSES	\$ 193,134	\$ 657,474

* These amounts include both Skilled Nursing Facility expenses,
line 34 and Nursing Facility expenses, line 35.

(To DPNF SCH 1)

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

	TRIAL BALANCE EXPENSES	ALLOC COST 4.08	EMPLOYEE BENEFITS 5.00	ALLOC COST 6.01	ALLOC COST 6.02	ALLOC COST 6.03	ALLOC COST 6.04	ALLOC COST 6.05	ALLOC COST 6.06	ALLOC COST 6.07	ALLOC COST 6.08	ACCUMULATE COST	ADMINISTRATIVE & GENERAL 6.00
ANCILLARY COST CENTERS													
37.00	Operating Room	0	546,131	0	0	0	0	0	0	0	0	3,115,888	663,634
37.01	Gastro-Intestinal Services	0	16,023	0	0	0	0	0	0	0	0	73,287	15,609
39.00	Delivery Room and Labor Room	0	0	0	0	0	0	0	0	0	0	0	0
40.00	Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00	Radiology - Diagnostic	0	626,518	0	0	0	0	0	0	0	0	3,303,442	703,580
41.01		0	0	0	0	0	0	0	0	0	0	0	0
41.02		0	0	0	0	0	0	0	0	0	0	0	0
42.00	Radiology - Therapeutic	0	0	0	0	0	0	0	0	0	0	0	0
43.00	Radioisotope	0	43,475	0	0	0	0	0	0	0	0	207,615	44,219
44.00	Laboratory	0	498,477	0	0	0	0	0	0	0	0	3,004,350	639,878
44.01	Pathological Lab	0	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood & Packed Red Blood	0	0	0	0	0	0	0	0	0	0	369,959	78,795
47.00	Blood Storing and Processing	0	0	0	0	0	0	0	0	0	0	0	0
48.00	Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	0	274,025	0	0	0	0	0	0	0	0	1,168,697	248,914
50.00	Physical Therapy	0	175,220	0	0	0	0	0	0	0	0	793,841	169,075
51.00	Occupational Therapy	0	27,953	0	0	0	0	0	0	0	0	111,811	23,814
52.00	Speech Pathology	0	27,217	0	0	0	0	0	0	0	0	109,257	23,270
53.00	Electrocardiology	0	0	0	0	0	0	0	0	0	0	0	0
54.00	Electroencephalography	0	20,678	0	0	0	0	0	0	0	0	93,569	19,929
55.00	Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	0	0	1,997,482	425,432
55.01	Supplies Implants	0	0	0	0	0	0	0	0	0	0	2,975,439	633,721
56.00	Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	0	1,232,260	262,452
57.01	Renal Dialysis	0	0	0	0	0	0	0	0	0	0	68,625	14,616
58.00	ASC (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
59.01		0	0	0	0	0	0	0	0	0	0	0	0
59.02		0	0	0	0	0	0	0	0	0	0	0	0
59.03		0	0	0	0	0	0	0	0	0	0	0	0
60.00	Clinic	0	0	0	0	0	0	0	0	0	0	0	0
60.01	Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0	0
61.00	Emergency	0	582,264	0	0	0	0	0	0	0	0	3,133,920	667,474
62.00	Observation Beds	0	0	0	0	0	0	0	0	0	0	0	0
71.00		0	0	0	0	0	0	0	0	0	0	0	0
82.00		0	0	0	0	0	0	0	0	0	0	0	0
83.00		0	0	0	0	0	0	0	0	0	0	0	0
84.00		0	0	0	0	0	0	0	0	0	0	0	0
85.00		0	0	0	0	0	0	0	0	0	0	0	0
86.00		0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTER:													
96.00	Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	0	0	0	0
97.00	Research	0	0	0	0	0	0	0	0	0	0	0	0
98.00	Physicians' Private Office	0	0	0	0	0	0	0	0	0	0	0	0
99.00	Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
99.01	Public Relations	0	20,176	0	0	0	0	0	0	0	0	460,291	98,034
99.02		0	0	0	0	0	0	0	0	0	0	0	0
99.03		0	0	0	0	0	0	0	0	0	0	0	0
99.04		0	0	0	0	0	0	0	0	0	0	0	0
99.05		0	0	0	0	0	0	0	0	0	0	0	0
100.00		0	0	0	0	0	0	0	0	0	0	0	0
100.01		0	0	0	0	0	0	0	0	0	0	0	0
100.02		0	0	0	0	0	0	0	0	0	0	0	0
100.03	Community Health Education	0	25,697	0	0	0	0	0	0	0	0	157,328	33,508
100.04		0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		<u>0</u>	<u>6,707,587</u>	<u>0</u>	<u>46,835,479</u>	<u>8,223,690</u>							

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

	TRIAL BALANCE EXPENSES	MAINT & REPAIRS 7.00	OPER PLANT 8.00	LAUNDRY & LINEN 9.00	HOUSEKEEP 10.00	DIETARY 11.00	CAFE 12.00	MAINT OF PERSONNEL 13.00	NURSING ADMIN 14.00	CENTRAL SERVICE & SUPPLY 15.00	PHARMACY 16.00	MEDICAL RECORDS & LIBRARY 17.00	SOCIAL SERVICE 18.00
ANCILLARY COST CENTERS													
37.00	Operating Room	366,336	0	21,935	169,194	0	71,130	0	208,101	110,305	0	137,516	0
37.01	Gastro-Intestinal Services	8,146	0	0	3,762	0	1,483	0	4,065	44	0	1,880	0
39.00	Delivery Room and Labor Room	0	0	0	0	0	0	0	0	0	0	0	0
40.00	Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00	Radiology - Diagnostic	253,906	0	16,465	117,267	0	123,032	0	8,604	2,477	0	162,258	0
41.01		0	0	0	0	0	0	0	0	0	0	0	0
41.02		0	0	0	0	0	0	0	0	0	0	0	0
42.00	Radiology - Therapeutic	0	0	0	0	0	0	0	0	0	0	0	0
43.00	Radioisotope	15,103	0	0	6,975	0	4,597	0	0	642	0	4,022	0
44.00	Laboratory	59,434	0	0	27,450	0	96,538	0	0	348	0	118,693	0
44.01	Pathological Lab	0	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood & Packed Red Blood	4,088	0	0	1,888	0	0	0	0	13,346	0	4,683	0
47.00	Blood Storing and Processing	0	0	0	0	0	0	0	0	0	0	0	0
48.00	Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	42,562	0	0	19,657	0	41,274	0	20,750	3,080	0	23,108	0
50.00	Physical Therapy	88,998	0	0	41,104	0	26,841	0	40,416	5	0	16,965	0
51.00	Occupational Therapy	0	0	10,065	0	0	4,350	0	0	0	0	2,162	0
52.00	Speech Pathology	0	0	0	0	0	4,251	0	0	0	0	2,663	0
53.00	Electrocardiology	0	0	0	0	0	0	0	0	0	0	0	0
54.00	Electroencephalography	0	0	9,103	0	0	2,620	0	0	0	0	2,420	0
55.00	Medical Supplies Charged to Patients	308,306	0	0	142,392	0	0	0	0	61,894	0	25,433	0
55.01	Supplies Implants	0	0	0	0	0	0	0	0	107,388	0	23,876	0
56.00	Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	1,658,681	68,020	0
57.01	Renal Dialysis	0	0	0	0	0	0	0	0	0	0	1,563	0
58.00	ASC (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
59.01		0	0	0	0	0	0	0	0	0	0	0	0
59.02		0	0	0	0	0	0	0	0	0	0	0	0
59.03		0	0	0	0	0	0	0	0	0	0	0	0
60.00	Clinic	0	0	0	0	0	0	0	0	0	0	0	0
60.01	Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0	0
61.00	Emergency	156,762	0	31,801	72,401	0	95,055	0	355,498	1,797	0	69,850	0
62.00	Observation Beds	0	0	0	0	0	0	0	0	0	0	0	0
71.00		0	0	0	0	0	0	0	0	0	0	0	0
82.00		0	0	0	0	0	0	0	0	0	0	0	0
83.00		0	0	0	0	0	0	0	0	0	0	0	0
84.00		0	0	0	0	0	0	0	0	0	0	0	0
85.00		0	0	0	0	0	0	0	0	0	0	0	0
86.00		0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTER:													
96.00	Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	0	0	0	0
97.00	Research	0	0	0	0	0	0	0	0	0	0	0	0
98.00	Physicians' Private Office	0	0	0	0	0	0	0	0	0	0	0	0
99.00	Nonpaid Workers	0	0	0	0	0	0	0	0	0	0	0	0
99.01	Public Relations	39,694	0	0	18,333	0	4,399	0	0	65	0	0	0
99.02		0	0	0	0	0	0	0	0	0	0	0	0
99.03		0	0	0	0	0	0	0	0	0	0	0	0
99.04		0	0	0	0	0	0	0	0	0	0	0	0
99.05		0	0	0	0	0	0	0	0	0	0	0	0
100.00		0	0	0	0	0	0	0	0	0	0	0	0
100.01		0	0	0	0	0	0	0	0	0	0	0	0
100.02		0	0	0	0	0	0	0	0	0	0	0	0
100.03	Community Health Education	0	0	0	0	0	5,684	0	6,996	51	0	0	0
100.04		0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	2,321,036	0	286,621	1,045,105	1,222,168	903,983	0	1,978,885	306,492	1,658,681	813,763	0

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

TRIAL BALANCE EXPENSES	ALLOC COST 19.00	ALLOC COST 19.02	ALLOC COST 19.03	NON-PHYSICIAN ANESTH 20.00	NURSING SCHOOL 21.00	INT & RES SALARY & FRINGES 22.00	INT & RES PROGRAM 23.00	PARAMED EDUCAT 24.00	SUBTOTAL 25.00	POST	TOTAL
										STEP-DOWN ADJUSTMENT 26.00	COST 27.00
ANCILLARY COST CENTERS											
37.00 Operating Room	0	0	0	0	0	0	0	0	4,864,039		4,864,039
37.01 Gastro-Intestinal Services	0	0	0	0	0	0	0	0	108,276		108,276
39.00 Delivery Room and Labor Room	0	0	0	0	0	0	0	0	0		0
40.00 Anesthesiology	0	0	0	0	0	0	0	0	0		0
41.00 Radiology - Diagnostic	0	0	0	0	0	0	0	0	4,691,032		4,691,032
41.01	0	0	0	0	0	0	0	0	0		0
41.02	0	0	0	0	0	0	0	0	0		0
42.00 Radiology - Therapeutic	0	0	0	0	0	0	0	0	0		0
43.00 Radioisotope	0	0	0	0	0	0	0	0	283,172		283,172
44.00 Laboratory	0	0	0	0	0	0	0	0	3,946,690		3,946,690
44.01 Pathological Lab	0	0	0	0	0	0	0	0	0		0
46.00 Whole Blood & Packed Red Blood	0	0	0	0	0	0	0	0	472,760		472,760
47.00 Blood Storing and Processing	0	0	0	0	0	0	0	0	0		0
48.00 Intravenous Therapy	0	0	0	0	0	0	0	0	0		0
49.00 Respiratory Therapy	0	0	0	0	0	0	0	0	1,568,042		1,568,042
50.00 Physical Therapy	0	0	0	0	0	0	0	0	1,177,246		1,177,246
51.00 Occupational Therapy	0	0	0	0	0	0	0	0	152,201		152,201
52.00 Speech Pathology	0	0	0	0	0	0	0	0	139,441		139,441
53.00 Electrocardiology	0	0	0	0	0	0	0	0	0		0
54.00 Electroencephalography	0	0	0	0	0	0	0	0	127,640		127,640
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	2,960,939		2,960,939
55.01 Supplies Implants	0	0	0	0	0	0	0	0	3,740,424		3,740,424
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	3,221,412		3,221,412
57.01 Renal Dialysis	0	0	0	0	0	0	0	0	84,804		84,804
58.00 ASC (Non-Distinct Part)	0	0	0	0	0	0	0	0	0		0
59.01	0	0	0	0	0	0	0	0	0		0
59.02	0	0	0	0	0	0	0	0	0		0
59.03	0	0	0	0	0	0	0	0	0		0
60.00 Clinic	0	0	0	0	0	0	0	0	0		0
60.01 Other Clinic Services	0	0	0	0	0	0	0	0	0		0
61.00 Emergency	0	0	0	0	0	0	0	0	4,584,557		4,584,557
62.00 Observation Beds	0	0	0	0	0	0	0	0	0		0
71.00	0	0	0	0	0	0	0	0	0		0
82.00	0	0	0	0	0	0	0	0	0		0
83.00	0	0	0	0	0	0	0	0	0		0
84.00	0	0	0	0	0	0	0	0	0		0
85.00	0	0	0	0	0	0	0	0	0		0
86.00	0	0	0	0	0	0	0	0	0		0
NONREIMBURSABLE COST CENTER:											
96.00 Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	0		0
97.00 Research	0	0	0	0	0	0	0	0	0		0
98.00 Physicians' Private Office	0	0	0	0	0	0	0	0	0		0
99.00 Nonpaid Workers	0	0	0	0	0	0	0	0	0		0
99.01 Public Relations	0	0	0	0	0	0	0	0	620,816		620,816
99.02	0	0	0	0	0	0	0	0	0		0
99.03	0	0	0	0	0	0	0	0	0		0
99.04	0	0	0	0	0	0	0	0	0		0
99.05	0	0	0	0	0	0	0	0	0		0
100.00	0	0	0	0	0	0	0	0	0		0
100.01	0	0	0	0	0	0	0	0	0		0
100.02	0	0	0	0	0	0	0	0	0		0
100.03 Community Health Education	0	0	0	0	0	0	0	0	203,567		203,567
100.04	0	0	0	0	0	0	0	0	0		0
TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>46,835,479</u>	<u>0</u>	<u>46,835,479</u>

STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.1

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

	EMP BENE (GROSS SALARIES)	STAT	STAT	ADM & GEN (ACCUM COST)	MAINT & REPAIRS (SQ FT)							
	5.00 (Adj 6)	6.01 (Adj)	6.02 (Adj)	6.03 (Adj)	6.04 (Adj)	6.05 (Adj)	6.06 (Adj)	6.07 (Adj)	6.08 (Adj)			7.00 (Adj 6)
ANCILLARY COST CENTERS												
37.00	Operating Room	1,638,400									3,115,888	12,007
37.01	Gastro-Intestinal Serfvices	48,068									73,287	267
39.00	Delivery Room and Labor Room										0	
40.00	Anesthesiology										0	
41.00	Radiology - Diagnostic	1,879,561									3,303,442	8,322
41.01											0	
41.02											0	
42.00	Radiology - Therapeutic										0	
43.00	Radioisotope	130,427									207,615	495
44.00	Laboratory	1,495,437									3,004,350	1,948
44.01	Pathological Lab										0	
46.00	Whole Blood & Packed Red Blood										369,959	134
47.00	Blood Storing and Processing										0	
48.00	Intravenous Therapy										0	
49.00	Respiratory Therapy	822,077									1,168,697	1,395
50.00	Physical Therapy	525,662									793,841	2,917
51.00	Occupational Therapy	83,858									111,811	
52.00	Speech Pathology	81,652									109,257	
53.00	Electrocardiology										0	
54.00	Electroencephalography	62,034									93,569	
55.00	Medical Supplies Charged to Patients										1,997,482	10,105
55.01	Supplies Implants										2,975,439	
56.00	Drugs Charged to Patients										1,232,260	
57.01	Renal Dialysis										68,625	
58.00	ASC (Non-Distinct Part)	0									0	0
59.01											0	
59.02											0	
59.03											0	
60.00	Clinic										0	
60.01	Other Clinic Services										0	
61.00	Emergency	1,746,800									3,133,920	5,138
62.00	Observation Beds										0	
71.00											0	
82.00											0	
83.00											0	
84.00											0	
85.00											0	
86.00											0	
NONREIMBURSABLE COST CENTERS												
96.00	Gift, Flower, Coffee Shop & Canteen										0	
97.00	Research										0	
98.00	Physicians' Private Office										0	
99.00	Nonpaid Workers										0	
99.01	Public Relations	60,528									460,291	1,301
99.02											0	
99.03											0	
99.04											0	
99.05											0	
100.00											0	
100.01											0	
100.02											0	
100.03	Community Health Education	77,090									157,328	
100.04											0	
TOTAL	20,122,844	0	0	0	0	0	0	0	0	0	38,611,789	76,074
COST TO BE ALLOCATED	6,707,587	0	0	0	0	0	0	0	0	0	8,223,690	2,321,036
UNIT COST MULTIPLIER - SCH 8	0.333332	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.212984	30.510234

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

	OPER PLANT (SQ FT) 8.00 (Adj)	LAUNDRY & LINEN (LB LNDRY) 9.00 (Adj)	HOUSE- KEEPING (HR SERV) 10.00 (Adj 6)	DIETARY (MEALS SERVED) 11.00 (Adj)	CAFETERIA 12.00 (Adj 6)	MAINT OF PERSONNEL (# HOUSED) 13.00 (Adj)	NURSING ADMIN (NURSE HR) 14.00 (Adj 6)	CENT SERV & SUPPLY (CST REQ) 15.00 (Adj 6)	PHARMACY (COSTS REQUIS) 16.00 (Adj)	MED REC (TIME SPENT) 17.00 (Adj 6)	SOC SERV (TIME SPENT) 18.00 (Adj)	STAT 19.00 (Adj)
ANCILLARY COST CENTERS												
37.00	Operating Room	26,439	12,007		1,439		16,688	3,024,900		41,328,898		
37.01	Gastro-Intestinal Services		267		30		326	1,203		564,908		
39.00	Delivery Room and Labor Room											
40.00	Anesthesiology											
41.00	Radiology - Diagnostic	19,846	8,322		2,489		690	67,923		48,764,947		
41.01												
41.02												
42.00	Radiology - Therapeutic											
43.00	Radioisotope		495		93			17,603		1,208,805		
44.00	Laboratory		1,948		1,953			9,548		35,671,752		
44.01	Pathological Lab											
46.00	Whole Blood & Packed Red Blood		134					365,991		1,407,375		
47.00	Blood Storing and Processing											
48.00	Intravenous Therapy											
49.00	Respiratory Therapy		1,395		835		1,664	84,453		6,945,004		
50.00	Physical Therapy		2,917		543		3,241	129		5,098,777		
51.00	Occupational Therapy	12,132			88					649,665		
52.00	Speech Pathology				86					800,297		
53.00	Electrocardiology											
54.00	Electroencephalography	10,972			53					727,175		
55.00	Medical Supplies Charged to Patients		10,105					1,697,328		7,643,719		
55.01	Supplies Implants							2,944,918		7,175,767		
56.00	Drugs Charged to Patients								1,252,989	20,442,639		
57.01	Renal Dialysis									469,763		
58.00	ASC (Non-Distinct Part)		0		0		0	0		0		
59.01												
59.02												
59.03												
60.00	Clinic											
60.01	Other Clinic Services											
61.00	Emergency	38,330	5,138		1,923		28,508	49,293		20,992,520		
62.00	Observation Beds											
71.00												
82.00												
83.00												
84.00												
85.00												
86.00												
NONREIMBURSABLE COST CENTERS												
96.00	Gift, Flower, Coffee Shop & Canteen											
97.00	Research											
98.00	Physicians' Private Office											
99.00	Nonpaid Workers											
99.01	Public Relations		1,301		89			1,786				
99.02												
99.03												
99.04												
99.05												
100.00												
100.01												
100.02												
100.03	Community Health Education				115		561	1,400				
100.04												
TOTAL	0	345,469	74,167	133,830	18,288	0	158,690	8,404,962	1,252,989	244,567,669	0	0
COST TO BE ALLOCATED	0	286,621	1,045,105	1,222,168	903,983	0	1,978,885	306,492	1,658,681	813,763	0	0
UNIT COST MULTIPLIER - SCH 8	0.000000	0.829657	14.091244	9.132245	49.430376	0.000000	12.470128	0.036466	1.323779	0.003327	0.000000	0.000000

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

STAT	STAT	NONPHY ANESTH (ASG TIME)	NURSE SCHOOL (ASG TIME)	I&R-SAL & FRINGES (ASG TIME)	I&R-PRG COST (ASG TIME)	PARAMED EDUCAT (ASG TIME)
19.02 (Adj)	19.03 (Adj)	20.00 (Adj)	21.00 (Adj)	22.00 (Adj)	23.00 (Adj)	24.00 (Adj)

GENERAL SERVICE COST CENTERS

- 1.00 Old Cap Rel Costs-Bldg & Fixtures
- 2.00 Old Cap Rel Costs-Movable Equipment
- 3.00 New Cap Rel Costs-Bldg & Fixtures
- 4.00 New Cap Rel Costs-Movable Equipment
- 4.01
- 4.02
- 4.03
- 4.04
- 4.05
- 4.06
- 4.07
- 4.08
- 5.00 Employee Benefits
- 6.01 Non-Patient Telephones
- 6.02 Data Processing
- 6.03 Purchasing/Receiving
- 6.04 Patient Admitting
- 6.05 Patient Business Office
- 6.06
- 6.07
- 6.08
- 6.00 Administrative and General
- 7.00 Maintenance and Repairs
- 8.00 Operation of Plant
- 9.00 Laundry and Linen Service
- 10.00 Housekeeping
- 11.00 Dietary
- 12.00 Cafeteria
- 13.00 Maintenance of Personnel
- 14.00 Nursing Administration
- 15.00 Central Services & Supply
- 16.00 Pharmacy
- 17.00 Medical Records and Library
- 18.00 Social Service
- 19.00
- 19.02
- 19.03
- 20.00
- 21.00 Nursing School
- 22.00 Intern & Res Service-Salary & Fringes
- 23.00 Intern & Res Other Program
- 24.00 Paramedical Ed Program

INPATIENT ROUTINE COST CENTERS

- 25.00 Adults & Pediatrics (Gen Routine)
- 26.00 Intensive Care Unit
- 27.00 Coronary Care Unit
- 28.00 Neonatal Intensive Care Unit
- 29.00 Surgical Intensive Care
- 30.00 Subprovider I
- 31.00 Subprovider II
- 32.00
- 33.00 Nursery
- 34.00 Skilled Nursing Facility
- 35.00 Distinct Part Nursing Facility
- 36.00 Adult Subacute Care Unit
- 36.01 Subacute Care Unit II
- 36.02 Transitional Care Unit

TRIAL BALANCE OF EXPENSES

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	GENERAL SERVICE COST CENTERS			
1.00	Old Cap Rel Costs-Bldg & Fixtures	\$	\$ 0	\$ 0
2.00	Old Cap Rel Costs-Movable Equipment		0	0
3.00	New Cap Rel Costs-Bldg & Fixtures	912,717	0	912,717
4.00	New Cap Rel Costs-Movable Equipment	1,641,468	0	1,641,468
4.01			0	0
4.02			0	0
4.03			0	0
4.04			0	0
4.05			0	0
4.06			0	0
4.07			0	0
4.08			0	0
5.00	Employee Benefits	6,789,959	(118,647)	6,671,312
6.01	Non-Patient Telephones		0	0
6.02	Data Processing		0	0
6.03	Purchasing/Receiving		0	0
6.04	Patient Admitting		0	0
6.05	Patient Business Office		0	0
6.06			0	0
6.07			0	0
6.08			0	0
6.00	Administrative and General	7,693,803	(375,862)	7,317,941
7.00	Maintenance and Repairs	1,676,728	0	1,676,728
8.00	Operation of Plant		0	0
9.00	Laundry and Linen Service	236,294	0	236,294
10.00	Housekeeping	595,460	0	595,460
11.00	Dietary	700,184	0	700,184
12.00	Cafeteria		0	0
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	1,147,272	0	1,147,272
15.00	Central Services & Supply	181,891	0	181,891
16.00	Pharmacy	984,986	0	984,986
17.00	Medical Records and Library	499,113	0	499,113
18.00	Social Service		0	0
19.00			0	0
19.02			0	0
19.03			0	0
20.00			0	0
21.00	Nursing School		0	0
22.00	Intern & Res Service-Salary & Fringes		0	0
23.00	Intern & Res Other Program		0	0
24.00	Paramedical Ed Program		0	0
	INPATIENT ROUTINE COST CENTERS			
25.00	Adults & Pediatrics (Gen Routine)	3,674,082	0	3,674,082
26.00	Intensive Care Unit	1,622,063	0	1,622,063
27.00	Coronary Care Unit		0	0
28.00	Neonatal Intensive Care Unit		0	0
29.00	Surgical Intensive Care		0	0
30.00	Subprovider I		0	0
31.00	Subprovider II		0	0
32.00			0	0
33.00	Nursery		0	0
34.00	Skilled Nursing Facility	784,565	0	784,565
35.00	Distinct Part Nursing Facility		0	0
36.00	Adult Subacute Care Unit		0	0
36.01	Subacute Care Unit II		0	0
36.02	Transitional Care Unit		0	0

TRIAL BALANCE OF EXPENSES

Provider Name:
ARROYO GRANDE COMMUNITY HOSPITAL

Fiscal Period Ended:
JUNE 30, 2010

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	ANCILLARY COST CENTERS			
37.00	Operating Room	\$ 1,799,769	\$ 414,432	\$ 2,214,201
37.01	Gastro-Intestinal Serfvices	49,358	0	49,358
39.00	Delivery Room and Labor Room		0	0
40.00	Anesthesiology		0	0
41.00	Radiology - Diagnostic	2,430,490	0	2,430,490
41.01			0	0
41.02			0	0
42.00	Radiology - Therapeutic		0	0
43.00	Radioisotope	149,481	0	149,481
44.00	Laboratory	2,448,188	0	2,448,188
44.01	Pathological Lab		0	0
46.00	Whole Blood & Packed Red Blood	365,991	0	365,991
47.00	Blood Storing and Processing		0	0
48.00	Intravenous Therapy		0	0
49.00	Respiratory Therapy	853,363	0	853,363
50.00	Physical Therapy	532,242	0	532,242
51.00	Occupational Therapy	83,858	0	83,858
52.00	Speech Pathology	82,040	0	82,040
53.00	Electrocardiology		0	0
54.00	Electroencephalography	72,891	0	72,891
55.00	Medical Supplies Charged to Patients	1,698,249	0	1,698,249
55.01	Supplies Implants	2,944,918	30,521	2,975,439
56.00	Drugs Charged to Patients	1,232,260	0	1,232,260
57.01	Renal Dialysis	68,625	0	68,625
58.00	ASC (Non-Distinct Part)	444,953	(444,953)	0
59.01			0	0
59.02			0	0
59.03			0	0
60.00	Clinic		0	0
60.01	Other Clinic Services		0	0
61.00	Emergency	2,399,507	0	2,399,507
62.00	Observation Beds		0	0
71.00			0	0
82.00			0	0
83.00			0	0
84.00			0	0
85.00			0	0
86.00			0	0
	SUBTOTAL	\$ 46,796,768	\$ (494,509)	\$ 46,302,259
	NONREIMBURSABLE COST CENTERS			
96.00	Gift, Flower, Coffee Shop & Canteen		0	0
97.00	Research		0	0
98.00	Physicians' Private Office		0	0
99.00	Nonpaid Workers		0	0
99.01	Public Relations	401,589	0	401,589
99.02			0	0
99.03			0	0
99.04			0	0
99.05			0	0
100.00			0	0
100.01			0	0
100.02			0	0
100.03	Community Health Education	131,631	0	131,631
100.04			0	0
100.99	SUBTOTAL	\$ 533,220	\$ 0	\$ 533,220
101	TOTAL	\$ 47,329,988	\$ (494,509)	\$ 46,835,479

(To Schedule 8)

Provider Name							Fiscal Period			Provider NPI		Adjustments
ARROYO GRANDE COMMUNITY HOSPITAL							JULY 1, 2009 THROUGH JUNE 30, 2010			1770659336		15
Report References												
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
		Work Sheet	Part	Title	Line	Col.						
<u>MEMORANDUM ADJUSTMENT</u>												
1	1	N/A					Total Noncontract AB 5 and AB 1183 Recalculation The services provided to Medi-Cal Inpatients in Noncontract acute hospitals are subject to various limitations identified in AB 5 and AB 1183. These limitations are addressed on Noncontract Schedule A and are incorporated on Noncontract Schedule 1, Line 9. W & I Code, Sections 14105.19 and 14166.245			\$17,171	(\$1,330)	\$15,841

Provider Name							Fiscal Period		Provider NPI		Adjustments
ARROYO GRANDE COMMUNITY HOSPITAL							JULY 1, 2009 THROUGH JUNE 30, 2010		1770659336		15
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
<u>RECLASSIFICATIONS OF REPORTED COSTS</u>											
2	10A	A			37.00	7	Operating Room	\$1,799,769	(\$30,521)	\$1,769,248 *	
	10A	A			55.01	7	Supplies Implants	2,944,918	30,521	2,975,439	
							To reclassify chargeable supplies implants to the appropriate cost center for proper cost determination.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
3	10A	A			58.00	7	ASC (Non-Distinct Part)	\$444,953	(\$444,953)	\$0	
	10A	A			37.00	7	Operating Room	* 1,769,248	444,953	2,214,201	
							To reclassify total ASC (Non-Distinct Part) costs for proper matching of revenues and expenses.				
							42 CFR 413.5, 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2102, 2202.4, 2206, 2302.6 and 2304				

*Balance carried forward from prior/to subsequent adjustments

Provider Name			Fiscal Period				Provider NPI		Adjustments	
ARROYO GRANDE COMMUNITY HOSPITAL			JULY 1, 2009 THROUGH JUNE 30, 2010				1770659336		15	
Report References										
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
		Work Sheet	Part	Title	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
4	10A	A			6.00	7	Administrative and General To adjust reported Home Office costs to agree with the amended St. Joseph's Medical Center Regional Home Office and the Amended Catholic Healthcare West Home Office Cost Report for fiscal period ended June 30, 2010. 42 CFR 413.17, 413.20 and 413.24 CMS Pub. 15-1, Sections 2150.2, 2300 and 2304	\$7,693,803	\$55,980	\$7,749,783 *
5	10A	A			5.00	7	Employee Benefits	\$6,789,959	(\$118,647)	\$6,671,312
	10A	A			6.00	7	Administrative and General To adjust reported Home Office costs to agree with the amended St. Joseph's Medical Center Regional Home Office and the Amended Catholic Healthcare West Home Office Cost Report for fiscal period ended June 30, 2010. 42 CFR 413.17, 413.20 and 413.24 CMS Pub. 15-1, Sections 2150.2, 2300 and 2304	* 7,749,783	(431,842)	7,317,941

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
ARROYO GRANDE COMMUNITY HOSPITAL							JULY 1, 2009 THROUGH JUNE 30, 2010			1770659336		15
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted		
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENTS TO REPORTED STATISTICS												
6	9	B-1			37.00	1,2,3,4	Operating Room (Square Feet)	11,047	960	12,007		
	9	B-1			58.00	1,2,3,4	ASC (Non-Distinct Part)	960	(960)	0		
	9	B-1			37.00	7,10	Operating Room (Square Feet)	11,047	960	12,007		
	9	B-1			58.00	7,10	ASC (Non-Distinct Part)	960	(960)	0		
	9	B-1			37.00	5	Operating Room (Gross Salaries)	1,210,048	428,352	1,638,400		
	9	B-1			58.00	5	ASC (Non-Distinct Part)	428,352	(428,352)	0		
	9	B-1			37.00	12	Operating Room (Meals Served)	1,114	325	1,439		
	9	B-1			58.00	12	ASC (Non-Distinct Part)	325	(325)	0		
	9	B-1			37.00	14	Operating Room (Nursing Hours)	9,950	6,738	16,688		
	9	B-1			58.00	14	ASC (Non-Distinct Part)	6,738	(6,738)	0		
	9	B-1			37.00	15	Operating Room (Coasted Requisition)	3,013,626	11,274	3,024,900		
	9	B-1			58.00	15	ASC (Non-Distinct Part)	11,274	(11,274)	0		
	9	B-1			37.00	17	Operating Room (Gross Revenue)	40,989,586	339,312	41,328,898		
	9	B-1			58.00	17	ASC (Non-Distinct Part)	339,312	(339,312)	0		
To reclassify ASC (Non-Distinct) statistics in conjunction with adjustments 3 and 7. 42 CFR 413.24 and 413.50 CMS Pub. 15-1, Sections 2304 and 2306												

Provider Name							Fiscal Period		Provider NPI		Adjustments
ARROYO GRANDE COMMUNITY HOSPITAL							JULY 1, 2009 THROUGH JUNE 30, 2010		1770659336		15
Report References											
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
		Work Sheet	Part	Title	Line	Col.					
ADJUSTMENTS TO REPORTED TOTAL CHARGES											
7	5	C	I		37.00	8	Operating Room	\$40,989,586	\$339,312	\$41,328,898	
	5	C	I		58.00	8	ASC (Non-Distinct Part) To reclassify total ASC (Non-Distinct Part) charges for proper matching of revenues and expenses. 42 CFR 413.5, 413.20, 413.24, 413.50 and 413.53 CMS Pub. 15-1, Sections 2102, 2202.4, 2206, 2302.6 and 2304	339,312	(339,312)	0	
8	5	C	I		62.00	8	Observation Beds To eliminate observation bed revenue for proper matching of expenses and revenues. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$1,210,420	(\$1,210,420)	\$0	

Provider Name							Fiscal Period		Provider NPI		Adjustments
ARROYO GRANDE COMMUNITY HOSPITAL							JULY 1, 2009 THROUGH JUNE 30, 2010		1770659336		15
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Audit Report	Cost Report									
		Work Sheet	Part	Title	Line	Col.					
ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT											
9	4	D-1	I	XIX	9.00	1	Medi-Cal Inpatient Days - Adults and Pediatrics	37	1	38	
	4A	D-1	II	XIX	43.00	4	Medi-Cal Inpatient Days - Intensive Care Unit	19	1	20	
10	6	D-4		XIX	37.00	2	Medi-Cal Ancillary Charges - Operating Room	\$204,373	(\$4,561)	\$199,812	
	6	D-4		XIX	41.00	2	Medi-Cal Ancillary Charges - Radiology -Diagnostic	105,297	198	105,495	
	6	D-4		XIX	44.00	2	Medi-Cal Ancillary Charges - Laboratory	81,869	6,415	88,284	
	6	D-4		XIX	49.00	2	Medi-Cal Ancillary Charges - Respiratory Therapy	2,433	46	2,479	
	6	D-4		XIX	54.00	2	Medi-Cal Ancillary Charges - Electroencephalography	3,704	4,474	8,178	
	6	D-4		XIX	56.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	64,169	5,102	69,271	
	6	D-4		XIX	61.00	2	Medi-Cal Ancillary Charges - Emergency	45,634	4,027	49,661	
	6	D-4		XIX	101.00	2	Medi-Cal Ancillary Charges - Total	547,643	15,701	563,344	
11	2	E-3	III	XIX	10.00	1	Medi-Cal Routine Charges - Total	\$211,958	\$42,320	\$254,278	
	2	E-3	III	XIX	11.00	1	Medi-Cal Ancillary Charges - Total	547,643	15,701	563,344	
12	1	E-3	III	XIX	57.00	1	Medi-Cal - Interim Payments	\$145,278	(\$10,654)	\$134,624	
							To adjust Medi-Cal Settlement Data to agree with the following Fiscal Intermediary Payment Data: Service Period: July 1, 2009 through June 30, 2010 Payment Period: July 1, 2009 through December 31, 2012 Report Date: January 18, 2013 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64 and 433.139 CMS Pub. 15-1, Sections 233, 2304, 2404 and 2408 CCR, Title 22, Sections 51173, 51511, 51541 and 51542				

Provider Name			Fiscal Period				Provider NPI		Adjustments	
ARROYO GRANDE COMMUNITY HOSPITAL			JULY 1, 2009 THROUGH JUNE 30, 2010				1770659336		15	
Report References										
Adj. No.	Audit Report	Cost Report					Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
		Work Sheet	Part	Title	Line	Col.				
<u>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA-CONTRACT</u>										
13	Contract 4	Not Reported				4	Medi-Cal Days - Intensive Care Unit	0	1	1
14	Contract 6	Not Reported				2	Medi-Cal Ancillary Charges - Laboratory	\$0	\$3,418	\$3,418
	Contract 6	Not Reported				2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	0	2,227	2,227
	Contract 6	Not Reported				2	Medi-Cal Ancillary Charges - Emergency	0	2,879	2,879
	Contract 6	Not Reported				2	Medi-Cal Ancillary Charges - Total	0	8,524	8,524
15	Contract 2	Not Reported				1	Medi-Cal Routine Charges - Total	\$0	\$7,097	\$7,097
	Contract 2	Not Reported				1	Medi-Cal Ancillary Charges - Total	0	8,524	8,524
<p>To adjust Medi-Cal Settlement Data to agree with the following Fiscal Intermediary Payment Data:</p> <p>Service Period: July 1, 2009 through June 30, 2010</p> <p>Payment Period: July 1, 2009 through December 31, 2012</p> <p>Report Date: January 18, 2013</p> <p>42 CFR 413.20, 413.24, 413.53 and 433.139</p> <p>CMS Pub. 15-1, Sections 2304, 2404 and 2408</p> <p>CCR, Title 22, Section 51541</p>										