

**REPORT
ON THE
COST REPORT REVIEW**

**MEMORIAL HOSPITAL MODESTO
MODESTO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1629059746**

**FISCAL PERIOD ENDED
DECEMBER 31, 2010**

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

**Section Chief: Michael Harrold
Audit Supervisor: Kathy Atkins
Auditor: Brian Emo**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

December 10, 2013

Michael Bass
Reimbursement Manager
Sutter Roseville Medical Center
2880 Gateway Oaks, Suite 200
Sacramento, CA 95833

MEMORIAL HOSPITAL MODESTO
NATIONAL PROVIDER IDENTIFIER (NPI) 1629059746
FISCAL PERIOD ENDED DECEMBER 31, 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 State in the amount of \$28,827, 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. 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

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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 Fee-For-Service Rates Development Division.

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

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

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

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

United States Postal Service (USPS)
Assistant Chief Counsel
Department of Health Care Services
Office of Legal Services
MS 0010
PO Box 997413
Sacramento, CA 95899

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

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

Michael Bass
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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:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

	SETTLEMENT	COST
1. Medi-Cal Noncontract Settlement (SCHEDULE 1) Provider NPI: 1629059746		
Reported	\$ (22,236)	
Net Change	\$ (6,591)	
Audited Amount Due Provider (State)	\$ (28,827)	
2. Subprovider I (SCHEDULE 1-1) Provider NPI:		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
3. Subprovider II (SCHEDULE 1-2) Provider NPI:		
Reported	\$ 0	
Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0	
4. Medi-Cal Contract Cost (CONTRACT SCH 1) Provider NPI: 1629059746		
Reported		\$ 30,339,475
Net Change		\$ 194,886
Audited Cost		\$ 30,534,361
Audited Amount Due Provider (State)	\$ 0	
5. Distinct Part Nursing Facility (DPNF SCH 1) Provider NPI:		
Reported		\$ 0.00
Net Change		\$ 0.00
Audited Cost Per Day		\$ 0.00
Audited Amount Due Provider (State)	\$ 0	
6. Distinct Part Nursing Facility (DPNF SCH 1-1) Provider NPI:		
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 NPI:		
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)	\$ (28,827)	
9. Total Medi-Cal Cost		\$ 30,534,361

SUMMARY OF FINDINGS

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

		SETTLEMENT	COST
10. Subacute (SUBACUTE SCH 1-1)	Provider NPI:		
	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 NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
12. Rural Health Clinic (RHC 95-210 SCH 1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
13. Rural Health Clinic (RHC 95-210 SCH 1-1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
14. County Medical Services Program (CMSP SCH 1)	Provider NPI:		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
15. Transitional Care (TC SCH 1)	Provider NPI:		
	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)		\$ (28,827)	

COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1629059746

	REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Schedule 3)	\$ 239,804	\$ 250,500
2. Excess Reasonable Cost Over Charges (Schedule 2)	\$ 0	\$ 0
3. Medi-Cal Inpatient Hospital Based Physician Services	\$ 0	N/A
4. Other Adjustments	\$	\$ 0
5. TOTAL COST-Reimbursable to Provider (Lines 1 through 4)	\$ 239,804	\$ 250,500
6. Interim Payments (Adj 14)	\$ (262,040)	\$ (279,327)
7. Balance Due Provider (State)	\$ (22,236)	\$ (28,827)
8. Duplicate Payments (Adj)	\$ 0	\$ 0
9.	\$ 0	\$ 0
10. \$	\$ 0	\$ 0
11. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)	\$ (22,236)	\$ (28,827)

(To Summary of Findings)

COMPUTATION OF LESSER OF
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGESProvider Name:
MEMORIAL HOSPITAL MODESTOFiscal Period Ended:
DECEMBER 31, 2010Provider NPI:
1629059746

REPORTED

AUDITED

REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Schedule 3)	\$ <u>239,804</u>	\$ <u>251,370</u>
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CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adj 13)	\$ <u>1,264,612</u>	\$ <u>1,318,936</u>
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3. Inpatient Ancillary Service Charges (Adj 13)	\$ <u>702,519</u>	\$ <u>734,642</u>
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4. Total Charges - Medi-Cal Inpatient Services	\$ <u>1,967,131</u>	\$ <u>2,053,578</u>
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5. Excess of Customary Charges Over Reasonable Cost (Line 4 minus Line 1) *	\$ <u>1,727,327</u>	\$ <u>1,802,208</u>
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6. Excess of Reasonable Cost Over Customary Charges (Line 1 minus Line 4)	\$ <u>0</u>	\$ <u>0</u>
	(To Schedule 1)	

* If charges exceed reasonable cost, no further calculation necessary for this schedule.

COMPUTATION OF
MEDI-CAL NET COSTS OF COVERED SERVICESProvider Name:
MEMORIAL HOSPITAL MODESTOFiscal Period Ended:
DECEMBER 31, 2010Provider NPI:
1629059746

	REPORTED	AUDITED
1. Medi-Cal Inpatient Ancillary Services (Schedule 5)	\$ 104,218	\$ 103,409
2. Medi-Cal Inpatient Routine Services (Schedule 4)	\$ 135,586	\$ 147,961
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch)	\$ 0	\$ 0
4. \$ \$	0	0
5. \$ \$	0	0
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ 239,804	\$ 251,370
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Schedule 7)	\$ (See Schedule 1)	\$ 0
8. SUBTOTAL	\$ 239,804	\$ 251,370 (To Schedule 2)
9. Coinsurance (Adj)	\$ 0	\$ 0
10. Patient Liability and Other Coverage (Adj 14)	\$ 0	\$ (870)
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ 239,804	\$ 250,500 (To Schedule 1)

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:
MEMORIAL HOSPITAL MODESTOFiscal Period Ended:
DECEMBER 31, 2010Provider NPI:
1629059746

GENERAL SERVICE UNIT NET OF SWING-BED COSTS

INPATIENT DAYS

	REPORTED	AUDITED
1. Total Inpatient Days (include private & swing-bed) (Adj)	88,164	88,164
2. Inpatient Days (include private, exclude swing-bed)	88,164	88,164
3. Private Room Days (exclude swing-bed private room) (Adj)	0	0
4. Semi-Private Room Days (exclude swing-bed) (Adj)	88,164	88,164
5. Medicare NF Swing-Bed Days through Dec 31 (Adj)	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj)	0	0
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj)	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj)	0	0
9. Medi-Cal Days (excluding swing-bed) (Adj)	0	0

SWING-BED ADJUSTMENT

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj)	\$ 0.00	\$ 0.00
18. Medicare NF Swing-Bed Rates after Dec 31 (Adj)	\$ 0.00	\$ 0.00
19. Medi-Cal NF Swing-Bed Rates through July 31 (Adj)	\$ 0.00	\$ 0.00
20. Medi-Cal NF Swing-Bed Rates after July 31 (Adj)	\$ 0.00	\$ 0.00
21. Total Routine Serv Cost (Sch 8, Line 25, Col 27)	\$ 109,510,422	\$ 102,852,883
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 0
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 0
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 0	\$ 0
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 109,510,422	\$ 102,852,883

PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)	\$ 316,642,996	\$ 316,642,996
29. Private Room Charges (excluding swing-bed charges)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges)	\$ 316,642,996	\$ 316,642,996
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)	\$ 0.345848	\$ 0.324823
32. Average Private Room Per Diem Charge (L 29 / L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 / L 4)	\$ 3,591.52	\$ 3,591.52
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 109,510,422	\$ 102,852,883

PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2)	\$ 1,242.12	\$ 1,166.61
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 0	\$ 0
40. Cost Applicable to Medi-Cal (Sch 4A)	\$ 135,586	\$ 147,961
41. Cost Applicable to Medi-Cal (Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39,40 & 41)	\$ 135,586	\$ 147,961

(To Schedule 3)

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:
MEMORIAL HOSPITAL MODESTOFiscal Period Ended:
DECEMBER 31, 2010Provider NPI:
1629059746

	REPORTED	AUDITED
SPECIAL CARE AND/OR NURSERY UNITS		
NURSERY		
1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)	\$ 1,323,505	\$ 1,244,729
2. Total Inpatient Days (Adj)	3,841	3,841
3. Average Per Diem Cost	\$ 344.57	\$ 324.06
4. Medi-Cal Inpatient Days (Adj)	0	0
5. Cost Applicable to Medi-Cal	\$ 0	\$ 0
INTENSIVE CARE UNIT		
6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)	\$ 32,313,972	\$ 30,243,321
7. Total Inpatient Days (Adj)	10,089	10,089
8. Average Per Diem Cost	\$ 3,202.89	\$ 2,997.65
9. Medi-Cal Inpatient Days (Adj)	0	0
10. Cost Applicable to Medi-Cal	\$ 0	\$ 0
CORONARY CARE UNIT		
11. Total Inpatient Routine Cost (Sch 8, Line 27, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj)	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj)	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
NEONATAL INTENSIVE CARE UNIT		
16. Total Inpatient Routine Cost (Sch 8, Line 28, Col 30)	\$ 4,385,791	\$ 4,115,513
17. Total Inpatient Days (Adj)	1,852	1,852
18. Average Per Diem Cost	\$ 2,368.14	\$ 2,222.20
19. Medi-Cal Inpatient Days (Adj)	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
SURGICAL INTENSIVE CARE UNIT		
21. Total Inpatient Routine Cost (Sch 8, Line 29, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj)	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj)	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
ADMINISTRATIVE DAYS		
26. Per Diem Rate (Adj 11)	\$ 351.26	\$ 368.98
27. Medi-Cal Inpatient Days (Adj 11)	386	401
28. Cost Applicable to Medi-Cal	\$ 135,586	\$ 147,961
ADMINISTRATIVE DAYS		
29. Per Diem Rate (Adj)	\$ 0.00	\$ 0.00
30. Medi-Cal Inpatient Days (Adj)	0	0
31. Cost Applicable to Medi-Cal	\$ 0	\$ 0
32. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,28,31)	\$ 135,586	\$ 147,961

(To Schedule 4)

SCHEDULE OF MEDI-CAL ANCILLARY COSTS

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1629059746

		TOTAL ANCILLARY COST *	TOTAL ANCILLARY CHARGES (Adjs 9, 10)	RATIO COST TO CHARGES	MEDI-CAL CHARGES (From Schedule 6)	MEDI-CAL COST
ANCILLARY COST CENTERS						
37.00	Operating Room	\$ 39,081,433	\$ 227,090,020	0.172097	\$ 0	\$ 0
38.00	Recovery Room	0	0	0.000000	0	0
39.00	Delivery Room and Labor Room	7,250,092	16,598,841	0.436783	0	0
40.00	Anesthesiology	693,141	51,923,967	0.013349	0	0
41.00	Radiology - Diagnostic	4,995,548	26,429,618	0.189013	25,961	4,907
42.00	Radiology - Therapeutic	7,828,974	67,425,747	0.116113	83,628	9,710
42.01	CAT Scan	4,598,991	164,276,182	0.027995	0	0
43.00	Radioisotope	1,464,636	17,094,494	0.085679	0	0
43.01	MRI	1,291,769	19,238,483	0.067145	0	0
44.00	Laboratory	15,359,343	172,761,335	0.088905	186,743	16,602
44.01	Pathological Lab	0	0	0.000000	0	0
46.00	Whole Blood	0	0	0.000000	0	0
47.00	Blood Storing and Processing	6,489,787	25,393,682	0.255567	0	0
48.00	Intravenous Therapy	0	0	0.000000	0	0
49.00	Respiratory Therapy	5,900,312	58,209,123	0.101364	0	0
50.00	Physical Therapy	3,604,551	12,915,636	0.279084	65,530	18,288
51.00	Occupational Therapy	0	0	0.000000	0	0
52.00	Speech Pathology	0	0	0.000000	0	0
53.00	Electrocardiology	337,128	11,171,906	0.030176	0	0
55.00	Medical Supplies Charged to Patients	37,866,600	236,390,947	0.160186	0	0
55.30	Implanted Devices Charged to Patients	22,364,332	100,651,060	0.222197	0	0
56.00	Drugs Charged to Patients	33,088,384	228,835,193	0.144595	372,780	53,902
57.00	Renal Dialysis	2,287,358	8,964,153	0.255167	0	0
59.00	Cardiovascular	1,824,011	44,370,768	0.041108	0	0
59.01	Cardiac Cath Lab	7,157,117	122,572,436	0.058391	0	0
59.02	Angio Specials Lab	2,686,393	33,052,916	0.081276	0	0
59.03	GI Lab	4,186,576	17,798,772	0.235217	0	0
59.04	Pulmonary	321,307	5,970,668	0.053814	0	0
60.00	Clinic	3,133,779	1,607,070	1.949995	0	0
60.01	Other Clinic Services	0	0	0.000000	0	0
61.00	Emergency	24,890,408	159,238,231	0.156309	0	0
62.00	Observation Beds	0	0	0.000000	0	0
71.00	Home Health Agency	14,304,904	12,521,525	1.142425	0	0
TOTAL		\$ 253,006,874	\$ 1,842,502,773		\$ 734,642	\$ 103,409

(To Schedule 3)

* From Schedule 8, Column 27

COMPUTATION OF MEDI-CAL CONTRACT COST

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1629059746

		REPORTED	AUDITED
1.	Net Cost of Covered Services Rendered to Medi-Cal Patients (Contract Sch 3)	\$ 30,339,475	\$ 30,534,361
2.	Excess Reasonable Cost Over Charges (Contract Sch 2)	\$ 0	\$ 0
3.	Medi-Cal Inpatient Hospital Based Physician Services	\$ 0	N/A
4.		\$ 0	\$ 0
5.	Subtotal (Sum of Lines 1 through 4)	\$ 30,339,475	\$ 30,534,361
6.		\$ 0	\$ 0
7.		\$ 0	\$ 0
8.	Total Medi-Cal Cost (Sum of Lines 5 through 7)	\$ 30,339,475	\$ 30,534,361
(To Summary of Findings)			
9.	Medi-Cal Overpayments (Adj)	\$ 0	\$ 0
10.	Medi-Cal Credit Balances (Adj)	\$ 0	\$ 0
11.		\$ 0	\$ 0
12.		\$ 0	\$ 0
13.	TOTAL MEDI-CAL SETTLEMENT Due Provider (State)	\$ 0	\$ 0
(To Summary of Findings)			

**COMPUTATION OF LESSER OF
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGES**

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1629059746

REPORTED	AUDITED
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REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Contract Sch 3)	\$ <u>30,719,134</u>	\$ <u>30,928,655</u>
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CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adj 17)	\$ <u>43,495,243</u>	\$ <u>48,474,366</u>
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3. Inpatient Ancillary Service Charges (Adj 17)	\$ <u>105,635,023</u>	\$ <u>115,694,398</u>
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4. Total Charges - Medi-Cal Inpatient Services	\$ <u>149,130,266</u>	\$ <u>164,168,764</u>
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5. Excess of Customary Charges Over Reasonable Cost (Line 4 minus Line 1) *	\$ <u>118,411,132</u>	\$ <u>133,240,109</u>
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6. Excess of Reasonable Cost Over Customary Charges (Line 1 minus Line 4)	\$ <u>0</u>	\$ <u>0</u>
	(To Contract Sch 1)	

* If charges exceed reasonable cost, no further calculation necessary for this schedule.

**COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1629059746

GENERAL SERVICE UNIT NET OF SWING-BEDS COSTS

REPORTED	AUDITED
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INPATIENT DAYS

1. Total Inpatient Days (include private & swing-bed) (Adj)	88,164	88,164
2. Inpatient Days (include private, exclude swing-bed)	88,164	88,164
3. Private Room Days (exclude swing-bed private room) (Adj)	0	0
4. Semi-Private Room Days (exclude swing-bed) (Adj)	88,164	88,164
5. Medicare NF Swing-Bed Days through Dec 31 (Adj)	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj)	0	0
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj)	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj)	0	0
9. Medi-Cal Days (excluding swing-bed) (Adj 15)	9,358	10,122

SWING-BED ADJUSTMENT

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj)	\$ 0.00	\$ 0.00
18. Medicare NF Swing-Bed Rates after Dec 31 (Adj)	\$ 0.00	\$ 0.00
19. Medi-Cal NF Swing-Bed Rates through July 31 (Adj)	\$ 0.00	\$ 0.00
20. Medi-Cal NF Swing-Bed Rates after July 31 (Adj)	\$ 0.00	\$ 0.00
21. Total Routine Serv Cost (Sch 8, Line 25, Col 27)	\$ 109,510,422	\$ 102,852,883
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 0
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 0
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 0	\$ 0
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 109,510,422	\$ 102,852,883

PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges) (Adj)	\$ 316,642,996	\$ 316,642,996
29. Private Room Charges (excluding swing-bed charges) (Adj)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges) (Adj)	\$ 316,642,996	\$ 316,642,996
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)	\$ 0.345848	\$ 0.324823
32. Average Private Room Per Diem Charge (L 29 / L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 / L 4)	\$ 3,591.52	\$ 3,591.52
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 109,510,422	\$ 102,852,883

PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2)	\$ 1,242.12	\$ 1,166.61
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 11,623,759	\$ 11,808,426
40. Cost Applicable to Medi-Cal (Contract Sch 4A)	\$ 4,513,405	\$ 4,025,901
41. Cost Applicable to Medi-Cal (Contract Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39, 40 & 41)	\$ 16,137,164	\$ 15,834,327

(To Contract Sch 3)

**COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1629059746

SPECIAL CARE AND/OR NURSERY UNITS	REPORTED	AUDITED
NURSERY		
1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)	\$ 1,323,505	\$ 1,244,729
2. Total Inpatient Days (Adj)	3,841	3,841
3. Average Per Diem Cost	\$ 344.57	\$ 324.06
4. Medi-Cal Inpatient Days (Adj 15)	636	1,152
5. Cost Applicable to Medi-Cal	\$ 219,147	\$ 373,317
INTENSIVE CARE UNIT		
6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)	\$ 32,313,972	\$ 30,243,321
7. Total Inpatient Days (Adj)	10,089	10,089
8. Average Per Diem Cost	\$ 3,202.89	\$ 2,997.65
9. Medi-Cal Inpatient Days (Adj 15)	1,062	1,217
10. Cost Applicable to Medi-Cal	\$ 3,401,469	\$ 3,648,140
CORONARY CARE UNIT		
11. Total Inpatient Routine Cost (Sch 8, Line 27, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj)	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj)	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
NEONATAL INTENSIVE CARE UNIT		
16. Total Inpatient Routine Cost (Sch 8, Line 28, Col 30)	\$ 4,385,791	\$ 4,115,513
17. Total Inpatient Days (Adj)	1,852	1,852
18. Average Per Diem Cost	\$ 2,368.14	\$ 2,222.20
19. Medi-Cal Inpatient Days (Adj 15)	377	2
20. Cost Applicable to Medi-Cal	\$ 892,789	\$ 4,444
SURGICAL INTENSIVE CARE UNIT		
21. Total Inpatient Routine Cost (Sch 8, Line 29, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj)	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj)	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
0		
26. Total Inpatient Routine Cost (Sch 8, Line___ , Col 27)	\$ 0	\$ 0
27. Total Inpatient Days (Adj)	0	0
28. Average Per Diem Cost	\$ 0.00	\$ 0.00
29. Medi-Cal Inpatient Days (Adj)	0	0
30. Cost Applicable to Medi-Cal	\$ 0	\$ 0
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$ 4,513,405	\$ 4,025,901

(To Contract Sch 4)

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

	TRIAL BALANCE EXPENSES	ALLOC COST 4.08	EMPLOYEE BENEFITS 5.00	COMMUNI-CATIONS 6.01	DATA PROCESSING 6.02	PURCHASING RECEIVING & STORES 6.03	ADMITTING 6.04	CASHIERING/ ACCOUNTS RECEIVABLE 6.05	ALLOC COST 0.00	ALLOC COST 0.00	ALLOC COST 0.00	ACCUMULATE COST	ADMINIS-TRATIVE & GENERAL 6.06
ANCILLARY COST CENTERS													
37.00	Operating Room	0	2,977,834	138,867	1,179,135	38,455	245,597	327,896	0	0	0	29,650,905	2,630,123
38.00	Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00	Delivery Room and Labor Room	0	606,299	19,490	86,187	2,481	17,952	23,967	0	0	0	5,463,075	484,591
40.00	Anesthesiology	0	278	0	269,608	1,436	56,156	74,973	0	0	0	472,083	41,875
41.00	Radiology - Diagnostic	0	445,975	23,551	137,232	1,859	28,584	38,162	0	0	0	4,100,228	363,702
42.00	Radiology - Therapeutic	0	382,189	21,926	350,099	2,347	72,921	97,356	0	0	0	5,689,364	504,664
42.01	CAT Scan	0	252,832	5,685	852,983	434	177,664	237,199	0	0	0	3,582,534	317,781
43.00	Radioisotope	0	108,971	10,557	88,761	374	18,488	24,683	0	0	0	1,177,755	104,470
43.01	MRI	0	89,145	1,624	99,893	249	20,806	27,778	0	0	0	931,693	82,644
44.00	Laboratory	0	1,075,022	56,034	897,041	27,851	186,841	249,450	0	0	0	12,459,416	1,105,187
44.01	Pathological Lab	0	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood	0	0	0	0	0	0	0	0	0	0	0	0
47.00	Blood Storing and Processing	0	105,258	0	131,853	95,497	27,463	36,666	0	0	0	5,845,729	518,534
48.00	Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	0	577,001	30,859	302,243	3,322	62,953	84,048	0	0	0	5,066,184	449,386
50.00	Physical Therapy	0	385,640	12,181	67,063	273	13,968	18,649	0	0	0	3,041,120	269,756
51.00	Occupational Therapy	0	0	0	0	0	0	0	0	0	0	0	0
52.00	Speech Pathology	0	0	0	0	0	0	0	0	0	0	0	0
53.00	Electrocardiology	0	9,023	4,060	58,009	78	12,082	16,131	0	0	0	217,866	19,325
55.00	Medical Supplies Charged to Patients	0	0	0	1,227,429	581,565	255,656	341,325	0	0	0	31,196,646	2,767,235
55.30	Implanted Devices Charged to Patients	0	0	0	522,617	355,398	108,854	145,330	0	0	0	18,726,086	1,661,059
56.00	Drugs Charged to Patients	0	0	0	1,188,197	375,384	247,485	330,416	0	0	0	20,719,274	1,837,861
57.00	Renal Dialysis	0	178,654	20,302	46,545	289	9,695	12,943	0	0	0	1,548,792	137,382
59.00	Cardiovascular	0	143,206	11,369	230,389	115	47,987	64,067	0	0	0	1,503,606	133,374
59.01	Cardiac Cath Lab	0	512,593	25,987	636,441	3,859	132,562	176,983	0	0	0	5,630,786	499,467
59.02	Angio Specials Lab	0	179,828	4,873	171,623	2,111	35,747	47,725	0	0	0	2,101,836	186,439
59.03	GI Lab	0	316,957	11,369	92,418	2,917	19,249	25,700	0	0	0	3,137,059	278,266
59.04	Pulmonary	0	16,434	1,624	31,002	10	6,457	8,621	0	0	0	224,989	19,957
60.00	Clinic	0	279,634	9,745	8,345	972	1,738	2,320	0	0	0	2,531,306	224,534
60.01	Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0	0
61.00	Emergency	0	2,132,899	64,967	826,824	4,647	172,216	229,924	0	0	0	19,774,933	1,754,095
62.00	Observation Beds	0	0	0	0	0	0	0	0	0	0	0	0
71.00	Home Health Agency	0	1,554,632	2,436	0	6,877	0	0	0	0	0	12,285,192	1,089,733
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
88.00	Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE COST CENTER:													
96.00	Gift, Flower, Coffee Shop & Canteen	0	0	1,624	0	0	0	0	0	0	0	30,177	2,677
97.00	Research	0	58,365	0	0	101	0	0	0	0	0	435,796	38,656
97.01	Emergency Communications	0	92,164	10,557	0	204	0	0	0	0	0	1,085,056	96,248
97.02	Marketing	0	63,573	6,497	0	631	0	0	0	0	0	982,201	87,124
97.03	Research Cancer	0	44,337	16,242	0	151	0	0	0	0	0	424,465	37,651
97.04	MMC Foundation	0	0	0	0	0	0	0	0	0	0	22,587	2,004
99.01	Health Plus	0	256	0	0	144	0	0	0	0	0	9,127	810
99.02	ENT 6 Expenses	0	138,520	6,497	0	3,322	0	0	0	0	0	1,535,696	136,221
99.03	Nonpatient Meals	0	97,968	0	0	11,726	0	0	0	0	0	1,358,578	120,510
99.05	Vacant Space	0	0	0	0	0	0	0	0	0	0	21,303	1,890
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		0	0	0	0	0	0	0	0	0	0	0	0
100.04		0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		0	32,328,589	1,544,593	11,579,344	1,662,999	2,411,814	3,220,002	0	0	0	398,445,919	32,463,709

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 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	0	2,493,262	219,440	1,724,843	45,712	309,952	0	1,238,362	14,630	0	754,203	0
38.00	Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00	Delivery Room and Labor Room	0	462,741	42,733	464,399	0	57,883	0	219,544	0	0	55,127	0
40.00	Anesthesiology	0	0	0	0	0	0	0	95	6,639	0	172,448	0
41.00	Radiology - Diagnostic	0	324,679	40,251	21,028	0	57,883	0	0	0	0	87,777	0
42.00	Radiology - Therapeutic	0	791,575	39,361	469,654	0	35,476	0	74,948	0	0	223,932	0
42.01	CAT Scan	0	72,585	16,680	0	0	29,875	0	33,948	0	0	545,588	0
43.00	Radioisotope	0	114,434	0	0	0	11,203	0	0	0	0	56,774	0
43.01	MRI	0	0	3,661	202,408	0	7,469	0	0	0	0	63,894	0
44.00	Laboratory	0	900,101	0	163,562	0	156,843	0	465	0	0	573,769	0
44.01	Pathological Lab	0	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood	0	0	0	0	0	0	0	0	0	0	0	0
47.00	Blood Storing and Processing	0	29,985	0	0	0	11,203	0	0	0	0	84,337	0
48.00	Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	0	114,083	0	0	0	63,484	0	13,853	0	0	193,322	0
50.00	Physical Therapy	0	64,125	0	30,375	0	52,281	0	103,998	0	0	42,895	0
51.00	Occupational Therapy	0	0	0	0	0	0	0	0	0	0	0	0
52.00	Speech Pathology	0	0	0	0	0	0	0	0	0	0	0	0
53.00	Electrocardiology	0	60,070	0	0	0	1,867	0	896	0	0	37,104	0
55.00	Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	3,117,626	0	785,093	0
55.30	Implanted Devices Charged to Patients	0	0	0	0	0	0	0	0	1,642,908	0	334,279	0
56.00	Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	9,771,249	759,999	0
57.00	Renal Dialysis	0	53,663	297	417,082	0	14,937	0	85,432	0	0	29,771	0
59.00	Cardiovascular	0	0	22,528	0	0	16,805	0	336	0	0	147,363	0
59.01	Cardiac Cath Lab	0	404,723	35,281	14,604	0	48,547	0	116,626	0	0	407,083	0
59.02	Angio Specials Lab	0	221,158	0	0	0	16,805	0	50,381	0	0	109,774	0
59.03	GI Lab	0	323,878	46,975	156,551	609	31,742	0	152,381	0	0	59,113	0
59.04	Pulmonary	0	54,664	0	0	0	1,867	0	0	0	0	19,830	0
60.00	Clinic	0	180,010	1,145	84,117	0	31,742	0	75,586	0	0	5,337	0
60.01	Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0	0
61.00	Emergency	0	830,871	327,795	471,700	35,651	244,601	0	921,906	0	0	528,856	0
62.00	Observation Beds	0	0	0	0	0	0	0	0	0	0	0	0
71.00	Home Health Agency	0	613,917	0	140,547	0	175,515	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
88.00	Interest Expense	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	29,234	0	0	0	5,602	0	30,908	0	0	0	0
97.01	Emergency Communications	0	0	0	0	0	16,805	0	397	0	0	0	0
97.02	Marketing	0	12,765	0	0	0	0	0	0	0	0	0	0
97.03	Research Cancer	0	4,505	0	0	0	5,602	0	13,713	0	0	0	0
97.04	MMC Foundation	0	53,713	0	0	0	0	0	0	0	0	0	0
99.01	Health Plus	0	0	0	0	0	0	0	291	0	0	0	0
99.02	ENT 6 Expenses	0	0	0	327,941	0	28,008	0	67	0	0	0	0
99.03	Nonpatient Meals	0	0	0	0	0	24,273	0	0	0	0	0	0
99.05	Vacant Space	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		0	0	0	0	0	0	0	0	0	0	0	0
100.04		0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	0	20,436,072	2,117,939	6,515,792	4,359,006	2,957,617	0	9,639,745	4,782,807	9,771,249	7,406,425	976,789

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 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	39,081,433		39,081,433
38.00 Recovery Room	0	0	0	0	0	0	0	0	0		0
39.00 Delivery Room and Labor Room	0	0	0	0	0	0	0	0	7,250,092		7,250,092
40.00 Anesthesiology	0	0	0	0	0	0	0	0	693,141		693,141
41.00 Radiology - Diagnostic	0	0	0	0	0	0	0	0	4,995,548		4,995,548
42.00 Radiology - Therapeutic	0	0	0	0	0	0	0	0	7,828,974		7,828,974
42.01 CAT Scan	0	0	0	0	0	0	0	0	4,598,991		4,598,991
43.00 Radioisotope	0	0	0	0	0	0	0	0	1,464,636		1,464,636
43.01 MRI	0	0	0	0	0	0	0	0	1,291,769		1,291,769
44.00 Laboratory	0	0	0	0	0	0	0	0	15,359,343		15,359,343
44.01 Pathological Lab	0	0	0	0	0	0	0	0	0		0
46.00 Whole Blood	0	0	0	0	0	0	0	0	0		0
47.00 Blood Storing and Processing	0	0	0	0	0	0	0	0	6,489,787		6,489,787
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	5,900,312		5,900,312
50.00 Physical Therapy	0	0	0	0	0	0	0	0	3,604,551		3,604,551
51.00 Occupational Therapy	0	0	0	0	0	0	0	0	0		0
52.00 Speech Pathology	0	0	0	0	0	0	0	0	0		0
53.00 Electrocardiology	0	0	0	0	0	0	0	0	337,128		337,128
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	37,866,600		37,866,600
55.30 Implanted Devices Charged to Patients	0	0	0	0	0	0	0	0	22,364,332		22,364,332
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	33,088,384		33,088,384
57.00 Renal Dialysis	0	0	0	0	0	0	0	0	2,287,358		2,287,358
59.00 Cardiovascular	0	0	0	0	0	0	0	0	1,824,011		1,824,011
59.01 Cardiac Cath Lab	0	0	0	0	0	0	0	0	7,157,117		7,157,117
59.02 Angio Specials Lab	0	0	0	0	0	0	0	0	2,686,393		2,686,393
59.03 GI Lab	0	0	0	0	0	0	0	0	4,186,576		4,186,576
59.04 Pulmonary	0	0	0	0	0	0	0	0	321,307		321,307
60.00 Clinic	0	0	0	0	0	0	0	0	3,133,779		3,133,779
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	24,890,408		24,890,408
62.00 Observation Beds	0	0	0	0	0	0	0	0	0		0
71.00 Home Health Agency	0	0	0	0	0	0	0	0	14,304,904		14,304,904
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
88.00 Interest Expense	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	32,854		32,854
97.00 Research	0	0	0	0	0	0	0	0	540,196		540,196
97.01 Emergency Communications	0	0	0	0	0	0	0	0	1,198,505		1,198,505
97.02 Marketing	0	0	0	0	0	0	0	0	1,082,090		1,082,090
97.03 Research Cancer	0	0	0	0	0	0	0	0	485,937		485,937
97.04 MMC Foundation	0	0	0	0	0	0	0	0	78,303		78,303
99.01 Health Plus	0	0	0	0	0	0	0	0	10,228		10,228
99.02 ENT 6 Expenses	0	0	0	0	0	0	0	0	2,027,933		2,027,933
99.03 Nonpatient Meals	0	0	0	0	0	0	0	0	1,503,361		1,503,361
99.05 Vacant Space	0	0	0	0	0	0	0	0	23,192		23,192
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	0	0	0	0	0	0	0	0	0		0
100.04	0	0	0	0	0	0	0	0	0		0
TOTAL	0	0	0	0	0	0	0	0	398,445,919	0	398,445,919

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

	EMP BENE (GROSS SALARIES) 5.00 (Adj)	COMMUNI- CATIONS (# PHONES) 6.01 (Adj)	DATA PROCESSING (GROSS CHRG) 6.02 (Adj)	PURCHASING/ RECEIVING (SUP EXP) 6.03 (Adj)	ADMITTING (GROSS CHARGES) 6.04 (Adj)	CASHIER/AR (GROSS CHARGES) 6.05 (Adj)	STAT 0.00 (Adj)	STAT 0.00 (Adj)	STAT 0.00 (Adj)	ADM & GEN (ACCUM COST) 6.06	MAINT & REPAIRS (SQ FT) 7.00 (Adj)
ANCILLARY COST CENTERS											
37.00	Operating Room	17,520,851	171	227,090,020	1,903,958	227,090,020				29,650,905	
38.00	Recovery Room									0	
39.00	Delivery Room and Labor Room	3,567,314	24	16,598,841	122,851	16,598,841				5,463,075	
40.00	Anesthesiology	1,634		51,923,967	71,109	51,923,967				472,083	
41.00	Radiology - Diagnostic	2,624,009	29	26,429,618	92,044	26,429,618				4,100,228	
42.00	Radiology - Therapeutic	2,248,705	27	67,425,747	116,208	67,425,747				5,689,364	
42.01	CAT Scan	1,487,601	7	164,276,182	21,512	164,276,182				3,582,534	
43.00	Radioisotope	641,157	13	17,094,494	18,506	17,094,494				1,177,755	
43.01	MRI	524,505	2	19,238,483	12,321	19,238,483				931,693	
44.00	Laboratory	6,325,166	69	172,761,335	1,378,922	172,761,335				12,459,416	
44.01	Pathological Lab									0	
46.00	Whole Blood									0	
47.00	Blood Storing and Processing	619,313		25,393,682	4,728,110	25,393,682				5,845,729	
48.00	Intravenous Therapy									0	
49.00	Respiratory Therapy	3,394,934	38	58,209,123	164,487	58,209,123				5,066,184	
50.00	Physical Therapy	2,269,013	15	12,915,636	13,493	12,915,636				3,041,120	
51.00	Occupational Therapy									0	
52.00	Speech Pathology									0	
53.00	Electrocardiology	53,091	5	11,171,906	3,871	11,171,906				217,866	
55.00	Medical Supplies Charged to Patients			236,390,947	28,793,738	236,390,947				31,196,646	
55.30	Implanted Devices Charged to Patients			100,651,060	17,596,019	100,651,060				18,726,086	
56.00	Drugs Charged to Patients			228,835,193	18,585,569	228,835,193				20,719,274	
57.00	Renal Dialysis	1,051,159	25	8,964,153	14,295	8,964,153				1,548,792	
59.00	Cardiovascular	842,589	14	44,370,768	5,669	44,370,768				1,503,606	
59.01	Cardiac Cath Lab	3,015,971	32	122,572,436	191,060	122,572,436				5,630,786	
59.02	Angio Specials Lab	1,058,065	6	33,052,916	104,542	33,052,916				2,101,836	
59.03	GI Lab	1,864,896	14	17,798,772	144,447	17,798,772				3,137,059	
59.04	Pulmonary	96,694	2	5,970,668	501	5,970,668				224,989	
60.00	Clinic	1,645,299	12	1,607,070	48,138	1,607,070				2,531,306	
60.01	Other Clinic Services									0	
61.00	Emergency	12,549,458	80	159,238,231	230,052	159,238,231				19,774,933	
62.00	Observation Beds									0	
71.00	Home Health Agency	9,147,078	3		340,499					12,285,192	
82.00										0	
83.00										0	
84.00										0	
85.00										0	
88.00	Interest Expense									0	
NONREIMBURSABLE COST CENTERS											
96.00	Gift, Flower, Coffee Shop & Canteen		2							30,177	
97.00	Research	343,407			4,976					435,796	
97.01	Emergency Communications	542,271	13		10,115					1,085,056	
97.02	Marketing	374,050	8		31,239					982,201	
97.03	Research Cancer	260,869	20		7,495					424,465	
97.04	MMC Foundation									22,587	
99.01	Health Plus	1,504			7,109					9,127	
99.02	ENT 6 Expenses	815,018	8		164,490					1,535,696	
99.03	Nonpatient Meals	576,420			580,570					1,358,578	
99.05	Vacant Space									21,303	
100.01										0	
100.02										0	
100.03										0	
100.04										0	
	TOTAL	190,213,563	1,902	2,230,069,635	82,336,443	2,230,069,635	0	0	0	365,982,209	0
	COST TO BE ALLOCATED	32,328,589	1,544,593	11,579,344	1,662,999	2,411,813	0	0	0	32,463,709	0
	UNIT COST MULTIPLIER - SCH 8	0.169959	812.088743	0.005192	0.020198	0.001081	0.000000	0.000000	0.000000	0.088703	0.000000

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

	OPER PLANT (SQ FT)	LAUNDRY & LINEN (LB LNDRY)	HOUSE-KEEPING (HR SERV)	DIETARY (MEALS SERVED)	CAFETERIA (PRODUCTIVE TIME)	MAINT OF PERSONNEL (# HOUSED)	NURSING ADMIN (NURSE HR)	CENT SERV & SUPPLY (CST REQ)	PHARMACY (COSTS REQUIS)	MED REC (GROSS CHARGES)	SOC SERV (TIME SPENT)	STAT
	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	17.00	18.00	19.00
	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)
ANCILLARY COST CENTERS												
37.00	Operating Room	49,807	239,973	817,869	3,076	166	221,242	156,690		227,090,020		
38.00	Recovery Room											
39.00	Delivery Room and Labor Room	9,244	46,731	220,204		31	39,223			16,598,841		
40.00	Anesthesiology						17	71,109		51,923,967		
41.00	Radiology - Diagnostic	6,486	44,017	9,971		31				26,429,618		
42.00	Radiology - Therapeutic	15,813	43,044	222,696		19	13,390			67,425,747		
42.01	CAT Scan	1,450	18,241			16	6,065			164,276,182		
43.00	Radioisotope	2,286				6				17,094,494		
43.01	MRI		4,004	95,976		4				19,238,483		
44.00	Laboratory	17,981		77,556		84	83			172,761,335		
44.01	Pathological Lab											
46.00	Whole Blood											
47.00	Blood Storing and Processing	599				6				25,393,682		
48.00	Intravenous Therapy											
49.00	Respiratory Therapy	2,279				34	2,475			58,209,123		
50.00	Physical Therapy	1,281		14,403		28	18,580			12,915,636		
51.00	Occupational Therapy											
52.00	Speech Pathology											
53.00	Electrocardiology	1,200				1	160			11,171,906		
55.00	Medical Supplies Charged to Patients							33,390,660		236,390,947		
55.30	Implanted Devices Charged to Patients							17,596,017		100,651,060		
56.00	Drugs Charged to Patients								18,585,572	228,835,193		
57.00	Renal Dialysis	1,072	325	197,768		8	15,263			8,964,153		
59.00	Cardiovascular		24,636			9	60			44,370,768		
59.01	Cardiac Cath Lab	8,085	38,582	6,925		26	20,836			122,572,436		
59.02	Angio Specials Lab	4,418				9	9,001			33,052,916		
59.03	GI Lab	6,470	51,370	74,232	41	17	27,224			17,798,772		
59.04	Pulmonary	1,092				1				5,970,668		
60.00	Clinic	3,596	1,252	39,886		17	13,504			1,607,070		
60.01	Other Clinic Services											
61.00	Emergency	16,598	358,467	223,666	2,399	131	164,705			159,238,231		
62.00	Observation Beds											
71.00	Home Health Agency	12,264		66,643		94						
82.00												
83.00												
84.00												
85.00												
88.00	Interest Expense											
NONREIMBURSABLE COST CENTERS												
96.00	Gift, Flower, Coffee Shop & Canteen											
97.00	Research	584				3	5,522					
97.01	Emergency Communications					9	71					
97.02	Marketing	255										
97.03	Research Cancer	90				3	2,450					
97.04	MMC Foundation	1,073										
99.01	Health Plus						52					
99.02	ENT 6 Expenses			155,500		15	12					
99.03	Nonpatient Meals					13						
99.05	Vacant Space											
100.01												
100.02												
100.03												
100.04												
	TOTAL	408,244	2,316,115	3,089,594	293,324	1,584	1,722,208	51,225,225	18,585,572	2,230,069,635	103,138	0
	COST TO BE ALLOCATED	20,436,072	2,117,939	6,515,792	4,359,006	2,957,617	0	9,639,745	4,782,807	7,406,424	976,789	0
	UNIT COST MULTIPLIER - SCH 8	50.058475	0.914436	2.108948	14.860719	1867.182390	0.000000	5.597318	0.093368	0.003321	9.470696	0.000000

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 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 Communications
- 6.02 Data Processing
- 6.03 Purchasing/Receiving
- 6.04 Admitting
- 6.05 Cashiering/Accounts Receivable
- 0.00
- 0.00
- 0.00
- 6.06 Other 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
- 29.00 Surgical Intensive Care
- 30.00 Neonatal Intensive Care
- 31.00 Subprovider II
- 32.00
- 33.00 Nursery
- 34.00 Medicare Certified 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:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 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	12,205,132	(3,255)	12,201,877
4.00	New Cap Rel Costs-Movable Equipment	16,084,111	(3,569)	16,080,542
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	31,999,011	0	31,999,011
6.01	Communications	1,424,785	0	1,424,785
6.02	Data Processing	8,256,654	2,834,166	11,090,820
6.03	Purchasing/Receiving	1,502,863	0	1,502,863
6.04	Admitting	1,960,348	0	1,960,348
6.05	Cashiering/Accounts Receivable	2,300,562	30,863	2,331,425
			0	0
			0	0
			0	0
6.06	Other Administrative and General	57,148,312	(27,690,972)	29,457,340
7.00	Maintenance and Repairs		0	0
8.00	Operation of Plant	11,445,001	0	11,445,001
9.00	Laundry and Linen Service	1,662,473	0	1,662,473
10.00	Housekeeping	4,563,623	0	4,563,623
11.00	Dietary	2,670,274	0	2,670,274
12.00	Cafeteria	1,060,707	0	1,060,707
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	7,279,148	0	7,279,148
15.00	Central Services & Supply	3,054,354	0	3,054,354
16.00	Pharmacy	7,058,720	0	7,058,720
17.00	Medical Records and Library	5,596,974	0	5,596,974
18.00	Social Service	690,063	0	690,063
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)	56,453,604	0	56,453,604
26.00	Intensive Care Unit	19,189,469	(66,941)	19,122,528
27.00	Coronary Care Unit		0	0
28.00			0	0
29.00	Surgical Intensive Care		0	0
30.00	Neonatal Intensive Care	2,568,794	0	2,568,794
31.00	Subprovider II		0	0
32.00			0	0
33.00	Nursery	602,219	0	602,219
34.00	Medicare Certified Nursing Facility		0	0
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:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	ANCILLARY COST CENTERS			
37.00	Operating Room	\$ 22,307,980	\$ 0	\$ 22,307,980
38.00	Recovery Room		0	0
39.00	Delivery Room and Labor Room	4,254,746	0	4,254,746
40.00	Anesthesiology	69,632	0	69,632
41.00	Radiology - Diagnostic	3,107,755	0	3,107,755
42.00	Radiology - Therapeutic	3,989,404	0	3,989,404
42.01	CAT Scan	1,984,845	0	1,984,845
43.00	Radioisotope	814,156	0	814,156
43.01	MRI	692,197	0	692,197
44.00	Laboratory	9,088,059	0	9,088,059
44.01	Pathological Lab		0	0
46.00	Whole Blood		0	0
47.00	Blood Storing and Processing	5,419,706	0	5,419,706
48.00	Intravenous Therapy		0	0
49.00	Respiratory Therapy	3,894,333	0	3,894,333
50.00	Physical Therapy	2,480,716	0	2,480,716
51.00	Occupational Therapy		0	0
52.00	Speech Pathology		0	0
53.00	Electrocardiology	59,812	0	59,812
55.00	Medical Supplies Charged to Patients	28,790,671	0	28,790,671
55.30	Implanted Devices Charged to Patients	17,593,887	0	17,593,887
56.00	Drugs Charged to Patients	18,577,793	0	18,577,793
57.00	Renal Dialysis	1,227,952	0	1,227,952
59.00	Cardiovascular	1,006,473	0	1,006,473
59.01	Cardiac Cath Lab	3,747,074	0	3,747,074
59.02	Angio Specials Lab	1,443,926	0	1,443,926
59.03	GI Lab	2,352,121	0	2,352,121
59.04	Pulmonary	107,451	0	107,451
60.00	Clinic	2,005,374	47,364	2,052,738
60.01	Other Clinic Services		0	0
61.00	Emergency	15,531,955	0	15,531,955
62.00	Observation Beds		0	0
71.00	Home Health Agency	10,721,246	0	10,721,246
82.00			0	0
83.00			0	0
84.00			0	0
85.00			0	0
88.00	Interest Expense		0	0
	SUBTOTAL	\$ 418,046,465	\$ (24,852,344)	\$ 393,194,121
	NONREIMBURSABLE COST CENTERS			
96.00	Gift, Flower, Coffee Shop & Canteen		0	0
97.00	Research	377,330	0	377,330
97.01	Emergency Communications	982,130	0	982,130
97.02	Marketing	899,033	0	899,033
97.03	Research Cancer	348,334	0	348,334
97.04	MMC Foundation		0	0
99.01	Health Plus	8,728	0	8,728
99.02	ENT 6 Expenses	1,387,357	0	1,387,357
99.03	Nonpatient Meals	1,248,884	0	1,248,884
99.05	Vacant Space		0	0
100.01			0	0
100.02			0	0
100.03			0	0
100.04			0	0
100.99	SUBTOTAL	\$ 5,251,796	\$ 0	\$ 5,251,796
101	TOTAL	\$ 423,298,261	\$ (24,852,344)	\$ 398,445,917

(To Schedule 8)

Provider Name:
MEMORIAL HOSPITAL MODESTO

Fiscal Period Ended:
DECEMBER 31, 2010

	TOTAL ADJ (Page 1 & 2)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ				
ANCILLARY COST CENTERS												
37.00 Operating Room	0											
38.00 Recovery Room	0											
39.00 Delivery Room and Labor Room	0											
40.00 Anesthesiology	0											
41.00 Radiology - Diagnostic	0											
42.00 Radiology - Therapeutic	0											
42.01 CAT Scan	0											
43.00 Radioisotope	0											
43.01 MRI	0											
44.00 Laboratory	0											
44.01 Pathological Lab	0											
46.00 Whole Blood	0											
47.00 Blood Storing and Processing	0											
48.00 Intravenous Therapy	0											
49.00 Respiratory Therapy	0											
50.00 Physical Therapy	0											
51.00 Occupational Therapy	0											
52.00 Speech Pathology	0											
53.00 Electrocardiology	0											
55.00 Medical Supplies Charged to Patients	0											
55.30 Implanted Devices Charged to Patients	0											
56.00 Drugs Charged to Patients	0											
57.00 Renal Dialysis	0											
59.00 Cardiovascular	0											
59.01 Cardiac Cath Lab	0											
59.02 Angio Specials Lab	0											
59.03 GI Lab	0											
59.04 Pulmonary	0											
60.00 Clinic	47,364			47,364								
60.01 Other Clinic Services	0											
61.00 Emergency	0											
62.00 Observation Beds	0											
71.00 Home Health Agency	0											
82.00	0											
83.00	0											
84.00	0											
85.00	0											
88.00 Interest Expense	0											
NONREIMBURSABLE COST CENTERS												
96.00 Gift, Flower, Coffee Shop & Canteen	0											
97.00 Research	0											
97.01 Emergency Communications	0											
97.02 Marketing	0											
97.03 Research Cancer	0											
97.04 MMC Foundation	0											
99.01 Health Plus	0											
99.02 ENT 6 Expenses	0											
99.03 Nonpatient Meals	0											
99.05 Vacant Space	0											
100.01	0											
100.02	0											
100.03	0											
100.04	0											
101.00 TOTAL	(\$24,852,344)	0	(27,884,360)	47,364	3,041,963	(66,941)	9,630	0	0	0	0	0

(To Sch 10)

Provider Name							Fiscal Period		Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010		1629059746		18
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>RECLASSIFICATION OF REPORTED COSTS</u>											
1	10A	A			6.05	7	Cashiering / Accounts Receivable	\$2,300,562	\$30,863	\$2,331,425	
	10A	A			6.06	7	Other Administrative and General To adjust the provider's elimination of physician professional component fees to agree with the general ledger. 42 CFR 413.20 and 413.24 CMS Pub. 15-I, Sections 2300 and 2304	57,148,312	(30,863)	57,117,449 *	

*Balance carried forward from prior/to subsequent adjustments

Provider Name			Fiscal Period					Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO			JANUARY 1, 2010 THROUGH DECEMBER 31, 2010					1629059746		18
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 COSTS</u>										
2	10A	A			6.06	7	Other Administrative and General To eliminate hospital quality assurance fees. 42 CFR 413.20, 413.24 and 413.98(d) CMS Pub. 15-I, Sections 2300 and 2304 W&I Code, Section 14168.32(i)	* \$57,117,449	(\$27,884,360)	\$29,233,089 *
3	10A	A			60.00	7	Clinic To reverse the providers' abatement of other operating revenue against community education, a nonreimbursable cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-I, Sections 2300, 2304 and 2328	\$2,005,374	\$47,364	\$2,052,738
4	10A	A			6.02	7	Data Processing	\$8,256,654	\$2,834,071	\$11,090,725 *
	10A	A			6.06	7	Other Administrative and General To adjust home office costs to agree with the filed Sutter Health Central Valley Regional Home Office Cost Report. 42 CFR 413.17 and 413.24 CMS Pub. 15-I, Sections 2150.2 and 2304	* 29,233,089	207,892	29,440,981 *
5	10A	A			26.00	7	Intensive Care Unit To adjust reported home office costs to agree with the Sutter Health Sacramento Sierra Regional Home Office Audit Report for fiscal period ended December 31, 2010. 42 CFR 413.17 and 413.24 CMS Pub. 15-I, Sections 2150.2 and 2304	\$19,189,469	(\$66,941)	\$19,122,528

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period		Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010		1629059746		18
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 COSTS</u>											
6	10A	A			3.00	7	New Capital Related Costs - Building and Fixtures	\$12,205,132	(\$3,255)	\$12,201,877	
	10A	A			4.00	7	New Cap Related Costs - Movable Equipment	16,084,111	(3,569)	16,080,542	
	10A	A			6.02	7	Data Processing	* 11,090,725	95	11,090,820	
	10A	A			6.06	7	Other Administrative and General	* 29,440,981	16,359	29,457,340	
To adjust reported home office costs to agree with the Sutter Health Corporate Home Office Audit Report for fiscal period ended December 31, 2010. 42 CFR 413.17 and 413.24 CMS Pub. 15-l, Sections 2150.2 and 2304											

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period			Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010			1629059746		18
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 STATISTICS</u>												
7	9	B-1			97.03	3,4	Research Cancer (Square Feet)	90	225	315		
	9	B-1			6.06	3,4	Other Administrative and General To reclassify square footage to a nonreimbursable cost center to agree with the prior year's findings. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-I, Sections 2300, 2304, 2306 and 2328	18,183	(225)	17,958		
8	9	B-1			71.00	4	Home Health Agency (Square Feet)	12,264	(12,264)	0		
	9	B-1			4.00	4	Total - Square Feet To eliminate allocation statistics for the proper allocation of overhead costs. 42 CFR 413.20 and 413.24 CMS Pub. 15-I, Sections 2300 and 2304	589,839	(12,264)	577,575		

Provider Name							Fiscal Period			Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010			1629059746		18
Report References							Explanation of Audit Adjustments			As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Audit Report	Cost Report										
		Work Sheet	Part	Title	Line	Col.						
ADJUSTMENT TO REPORTED TOTAL CHARGES												
9	5	C	I		62.00	8	Observation Beds To eliminate observation bed revenue for the proper matching of revenue with expense. 42 CFR 413.5, 413.20, 413.24 and 413.50 CMS Pub. 15-I, Sections 2102, 2202.4, 2206, 2302.6 and 2304	\$12,519,456	(\$12,519,456)	\$0		
10	5	C	I		71.00	8	Home Health Agency To include revenues for home health agency for the proper matching of revenue with expense. 42 CFR 413.20 and 413.24 CMS Pub. 15-I, Sections 2300 and 2304	\$0	\$12,521,525	\$12,521,525		

Provider Name							Fiscal Period			Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010			1629059746		18
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												
11	4A	DHS 3092				1	Medi-Cal Administrative Days	386	15	401		
	4A	DHS 3092				1	Medi-Cal Administrative Day Rate	\$351.26	\$17.72	\$368.98		
12	6	D-4		XIX	41.00	2	Medi-Cal Ancillary Charges - Radiology - Diagnostic	\$9,984	\$15,977	\$25,961		
	6	D-4		XIX	44.00	2	Medi-Cal Ancillary Charges - Laboratory	179,106	7,637	186,743		
	6	D-4		XIX	50.00	2	Medi-Cal Ancillary Charges - Physical Therapy	64,780	750	65,530		
	6	D-4		XIX	56.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	365,021	7,759	372,780		
	6	D-4		XIX	101.00	2	Medi-Cal Ancillary Charges - Total	702,519	32,123	734,642		
13	2	E-3	III	XIX	10.00	1	Medi-Cal Routine Charges - Total	\$1,264,612	\$54,324	\$1,318,936		
	2	E-3	III	XIX	11.00	1	Medi-Cal Ancillary Charges - Total	702,519	32,123	734,642		
14	1	E-3	III	XIX	57.00	1	Medi-Cal Interim Payments	\$262,040	\$17,287	\$279,327		
	3	E-3	III	XIX	36.00	1	Patient Liability and Other Coverage	0	870	870		
<p>To adjust Medi-Cal Settlement Data to agree with the following Fiscal Intermediary Payment Data:</p> <p>Service Period: January 1, 2010 through December 31, 2010</p> <p>Payment Period: January 1, 2010 through August 31, 2013</p> <p>Report Date: September 19, 2013</p> <p>42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139</p> <p>CMS Pub. 15-I, Sections 2300, 2304, 2404, and 2408</p> <p>CCR, Title 22, Sections 51173, 51511, 51541, and 51542</p>												

Provider Name							Fiscal Period	Provider NPI		Adjustments
MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	1629059746		18
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 - CONTRACT										
15	Contract 4	D-1	I	V	9.00	1	Medi-Cal Inpatient Days - Adults and Pediatrics	9,358	764	10,122
	Contract 4A	D-1	II	V	42.00	4	Medi-Cal Inpatient Days - Nursery	636	516	1,152
	Contract 4A	D-1	II	V	43.00	4	Medi-Cal Inpatient Days - Intensive Care Unit	1,062	155	1,217
	Contract 4A	D-1	II	V	47.00	4	Medi-Cal Inpatient Days - Neonatal Intensive Care Unit	377	(375)	2
16	Contract 6	D-4		V	37.00	1	Medi-Cal Ancillary Charges - Operating Room	\$10,169,983	\$1,158,377	\$11,328,360
	Contract 6	D-4		V	39.00	1	Medi-Cal Ancillary Charges - Delivery Room and Labor Room	1,734,915	3,920	1,738,835
	Contract 6	D-4		V	40.00	1	Medi-Cal Ancillary Charges - Anesthesiology	1,964,952	198,889	2,163,841
	Contract 6	D-4		V	41.00	1	Medi-Cal Ancillary Charges - Radiology - Diagnostic	3,265,961	376,399	3,642,360
	Contract 6	D-4		V	42.01	1	Medi-Cal Ancillary Charges - CAT Scan	9,091,867	866,087	9,957,954
	Contract 6	D-4		V	43.00	1	Medi-Cal Ancillary Charges - Radioisotope	962,113	44,539	1,006,652
	Contract 6	D-4		V	43.01	1	Medi-Cal Ancillary Charges - MRI	1,259,650	39,393	1,299,043
	Contract 6	D-4		V	44.00	1	Medi-Cal Ancillary Charges - Laboratory	15,483,669	1,353,076	16,836,745
	Contract 6	D-4		V	47.00	1	Medi-Cal Ancillary Charges - Blood Storing, Processing and Trans	316,362	27,496	343,858
	Contract 6	D-4		V	49.00	1	Medi-Cal Ancillary Charges - Respiratory Therapy	6,556,274	736,726	7,293,000
	Contract 6	D-4		V	50.00	1	Medi-Cal Ancillary Charges - Physical Therapy	2,900,274	189,299	3,089,573
	Contract 6	D-4		V	53.00	1	Medi-Cal Ancillary Charges - Electrocardiology	597,855	29,152	627,007
	Contract 6	D-4		V	55.00	1	Medi-Cal Ancillary Charges - Medical Supplies Charged to Patients	18,880,309	2,022,197	20,902,506
	Contract 6	D-4		V	56.00	1	Medi-Cal Ancillary Charges - Drugs Charged to Patients	18,213,176	2,097,025	20,310,201
	Contract 6	D-4		V	57.00	1	Medi-Cal Ancillary Charges - Renal Dialysis	1,016,773	175,384	1,192,157
	Contract 6	D-4		V	59.00	1	Medi-Cal Ancillary Charges - Cardiovascular	2,063,233	126,805	2,190,038
	Contract 6	D-4		V	59.01	1	Medi-Cal Ancillary Charges - Cardiac Cath Lab	4,247,182	102,784	4,349,966
	Contract 6	D-4		V	59.03	1	Medi-Cal Ancillary Charges - Gastro Intestinal Lab	405,698	47,939	453,637
	Contract 6	D-4		V	59.04	1	Medi-Cal Ancillary Charges - Pulmonary	948,525	96,371	1,044,896
	Contract 6	D-4		V	61.00	1	Medi-Cal Ancillary Charges - Emergency	5,266,581	367,517	5,634,098
	Contract 6	D-4		V	101.00	1	Medi-Cal Ancillary Charges - Total	105,635,023	10,059,375	115,694,398
17	Contract 2	E-3	III	V	10.00	1	Medi-Cal Routine Charges - Total	\$43,495,243	\$4,979,123	\$48,474,366
	Contract 2	E-3	III	V	11.00	1	Medi-Cal Ancillary Charges - Total	105,635,023	10,059,375	115,694,398

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MEMORIAL HOSPITAL MODESTO							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010			1629059746		18
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 MEDI-CAL SETTLEMENT DATA -CONTRACT												
-Continued from previous page-												
18	Contract 3	E-3	III	V	36.00	1	Medi-Cal Coinsurance	\$379,659	\$14,635	\$394,294		
<p style="margin-left: 40px;">To adjust Medi-Cal Settlement Data to agree with the following Fiscal Intermediary Payment Data: Service Period: January 1, 2010 through December 31, 2010 Payment Period: January 1, 2010 through August 31, 2013 Report Date: September 19, 2013 42 CFR 413.20, 413.24, 413.53, and 433.139 CMS Pub. 15-I, Sections 2304, 2404, and 2408 CCR, Title 22, Section 51541</p>												