

**REPORT
ON THE
COST REPORT REVIEW**

**SOUTHWEST HEALTHCARE SYSTEM
WILDOMAR, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1245221050**

**FISCAL PERIOD ENDED
DECEMBER 31, 2010**

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

**Section Chief: Margaret A. Varho
Audit Supervisor: Felipe Avila
Auditor: Oscar Herrera**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

Date: September 13, 2013

Carole A. DeSmedt
Area Reimbursement Manager – Western Region
UHS of Delaware, Inc.
A Subsidiary of Universal Health Services
PO Box 61558
King of Prussia, PA 19406-0958

SOUTHWEST HEALTHCARE SYSTEM
NATIONAL PROVIDER IDENTIFIER (NPI) 1245221050
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 data presented in the Summary of Findings represents a proper determination of the allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Findings
2. Computation of Medi-Cal Cost (CONTRACT Schedules)
3. Audit Adjustments Schedule

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.

Carole A. DeSmedt
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If you disagree with the decision of the Department, you may appeal by writing to:

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

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

United States Postal Service (USPS)

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

Courier (UPS, FedEx, etc.)

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

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

If you have questions regarding this report, you may call the Audits Section—Santa Ana at (714) 558-4434.

(Original Signed by Margaret Varho)

Margaret A. Varho, Chief
Audits Section—Santa Ana
Financial Audits Branch

Certified

SUMMARY OF FINDINGS

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

		SETTLEMENT	COST
1. Medi-Cal Noncontract Settlement (SCHEDULE 1) Provider NPI:	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
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: 1245221050	Reported		\$ 20,381,219
	Net Change		\$ (4,084,848)
	Audited Cost		\$ 16,296,371
	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)		\$ 0	
9. Total Medi-Cal Cost			\$ 16,296,371

SUMMARY OF FINDINGS

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

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)	\$ 0	

COMPUTATION OF MEDI-CAL CONTRACT COST

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1245221050

	REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Contract Sch 3)	\$ <u>20,381,219</u>	\$ <u>16,296,371</u>
2. Excess Reasonable Cost Over Charges (Contract Sch 2)	\$ <u>0</u>	\$ <u>0</u>
3. Medi-Cal Inpatient Hospital Based Physician Services	\$ <u>0</u>	\$ <u>N/A</u>
4.	\$ <u>0</u>	\$ <u>0</u>
5. Subtotal (Sum of Lines 1 through 4)	\$ <u>20,381,219</u>	\$ <u>16,296,371</u>
6.	\$ <u>0</u>	\$ <u>0</u>
7.	\$ <u>0</u>	\$ <u>0</u>
8. Total Medi-Cal Cost (Sum of Lines 5 through 7)	\$ <u>20,381,219</u>	\$ <u>16,296,371</u>
	(To Summary of Findings)	
9. Medi-Cal Overpayments (Adj)	\$ <u>0</u>	\$ <u>0</u>
10. Medi-Cal Credit Balances (Adj)	\$ <u>0</u>	\$ <u>0</u>
11.	\$ <u>0</u>	\$ <u>0</u>
12.	\$ <u>0</u>	\$ <u>0</u>
13. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)	\$ <u>0</u>	\$ <u>0</u>
	(To Summary of Findings)	

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

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1245221050

REPORTED

AUDITED

REASONABLE COST OF MEDI-CAL INPATIENT SERVICES

1. Cost of Covered Services (Contract Sch 3)	\$ <u>20,381,219</u>	\$ <u>16,683,291</u>
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CHARGES FOR MEDI-CAL INPATIENT SERVICES

2. Inpatient Routine Service Charges (Adj 3)	\$ <u>6,189,510</u>	\$ <u>10,677,000</u>
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3. Inpatient Ancillary Service Charges (Adj 3)	\$ <u>28,490,305</u>	\$ <u>33,535,869</u>
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4. Total Charges - Medi-Cal Inpatient Services	\$ <u>34,679,815</u>	\$ <u>44,212,869</u>
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5. Excess of Customary Charges Over Reasonable Cost (Line 4 minus Line 1) *	\$ <u>14,298,596</u>	\$ <u>27,529,578</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 NET COST OF COVERED SERVICES**

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1245221050

	REPORTED	AUDITED
1. Medi-Cal Inpatient Ancillary Services (Contract Sch 5)	\$ <u>12,346,328</u>	\$ <u>7,838,231</u>
2. Medi-Cal Inpatient Routine Services (Contract Sch 4)	\$ <u>8,034,891</u>	\$ <u>8,845,060</u>
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch)	\$ <u>0</u>	\$ <u>0</u>
4.	\$ <u>0</u>	\$ <u>0</u>
5.	\$ <u>0</u>	\$ <u>0</u>
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ <u>20,381,219</u>	\$ <u>16,683,291</u>
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Contract Sch 7)	(See \$ <u>Contract Sch 1)</u>	\$ <u>0</u>
8. SUBTOTAL	\$ <u>20,381,219</u>	\$ <u>16,683,291</u> (To Contract Sch 2)
9. Coinsurance (Adj 4)	\$ <u>0</u>	\$ <u>(345,492)</u>
10. Patient and Third Party Liability (Adj 4)	\$ <u>0</u>	\$ <u>(41,428)</u>
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ <u><u>20,381,219</u></u>	\$ <u><u>16,296,371</u></u> (To Contract Sch 1)

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

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1245221050

GENERAL SERVICE UNIT NET OF SWING-BEDS COSTS

	REPORTED	AUDITED
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INPATIENT DAYS

	REPORTED	AUDITED
1. Total Inpatient Days (include private & swing-bed) (Adj)	59,536	59,536
2. Inpatient Days (include private, exclude swing-bed)	59,536	59,536
3. Private Room Days (exclude swing-bed private room) (Adj)	0	0
4. Semi-Private Room Days (exclude swing-bed) (Adj)	59,536	59,536
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 1)	5,473	6,086

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)	\$ 62,878,280	\$ 62,878,205
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)	\$ 62,878,280	\$ 62,878,205

PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges) (Adj)	\$ 79,763,831	\$ 79,763,831
29. Private Room Charges (excluding swing-bed charges) (Adj)	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges) (Adj)	\$ 79,763,831	\$ 79,763,831
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)	\$ 0.788306	\$ 0.788305
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)	\$ 1,339.76	\$ 1,339.76
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)	\$ 62,878,280	\$ 62,878,205

PROGRAM INPATIENT OPERATING COST

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2)	\$ 1,056.14	\$ 1,056.14
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 5,780,254	\$ 6,427,668
40. Cost Applicable to Medi-Cal (Contract Sch 4A)	\$ 2,254,637	\$ 2,417,392
41. Cost Applicable to Medi-Cal (Contract Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39, 40 & 41)	\$ 8,034,891	\$ 8,845,060

(To Contract Sch 3)

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

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1245221050

SPECIAL CARE AND/OR NURSERY UNITS	REPORTED	AUDITED
NURSERY		
1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)	\$ 3,349,476	\$ 3,349,477
2. Total Inpatient Days (Adj)	6,181	6,181
3. Average Per Diem Cost	\$ 541.90	\$ 541.90
4. Medi-Cal Inpatient Days (Adj 1)	1,790	1,700
5. Cost Applicable to Medi-Cal	\$ 970,001	\$ 921,230
INTENSIVE CARE UNIT		
6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)	\$ 12,609,014	\$ 12,609,019
7. Total Inpatient Days (Adj)	4,888	4,888
8. Average Per Diem Cost	\$ 2,579.59	\$ 2,579.59
9. Medi-Cal Inpatient Days (Adj 1)	498	580
10. Cost Applicable to Medi-Cal	\$ 1,284,636	\$ 1,496,162
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 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj)	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
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
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)	\$ 2,254,637	\$ 2,417,392

(To Contract Sch 4)

COMPUTATION OF
MEDI-CAL INPATIENT ROUTINE SERVICE COST

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

Provider NPI:
1245221050

SPECIAL CARE UNITS	REPORTED	AUDITED
1. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
2. Total Inpatient Days (Adj)	0	0
3. Average Per Diem Cost	\$ 0.00	\$ 0.00
4. Medi-Cal Inpatient Days (Adj)	0	0
5. Cost Applicable to Medi-Cal	\$ 0	\$ 0
6. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
7. Total Inpatient Days (Adj)	0	0
8. Average Per Diem Cost	\$ 0.00	\$ 0.00
9. Medi-Cal Inpatient Days (Adj)	0	0
10. Cost Applicable to Medi-Cal	\$ 0	\$ 0
11. Total Inpatient Routine Cost (Sch 8, Line ____, 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
16. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj)	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
19. Medi-Cal Inpatient Days (Adj)	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
21. Total Inpatient Routine Cost (Sch 8, Line ____, 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)	\$ 0	\$ 0

(To Contract Sch 4)

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 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	ADMINIS-TRATIVE & GENERAL 6.00
ANCILLARY COST CENTERS												
37.00 Operating Room	0	1,002,777	0	0	0	0	0	0	0	0	13,220,812	2,654,900
38.00 Recovery Room	0	365,662	0	0	0	0	0	0	0	0	2,303,863	462,644
39.00 Delivery Room and Labor Room	0	1,273,323	0	0	0	0	0	0	0	0	8,542,359	1,715,409
40.00 Anesthesiology	0	0	0	0	0	0	0	0	0	0	66,089	13,271
41.00 Radiology - Diagnostic	0	678,107	0	0	0	0	0	0	0	0	4,961,715	996,372
41.01	0	0	0	0	0	0	0	0	0	0	0	0
43.00 Radioisotope	0	91,875	0	0	0	0	0	0	0	0	701,860	140,942
44.00 Laboratory	0	710,890	0	0	0	0	0	0	0	0	7,019,587	1,409,618
49.00 Respiratory Therapy	0	723,638	0	0	0	0	0	0	0	0	4,628,951	929,550
50.00 Physical Therapy	0	216,564	0	0	0	0	0	0	0	0	1,381,115	277,345
51.00 Occupational Therapy	0	19,078	0	0	0	0	0	0	0	0	113,867	22,866
52.00 Speech Pathology	0	0	0	0	0	0	0	0	0	0	174,238	34,989
53.00 Electrocardiology	0	139,053	0	0	0	0	0	0	0	0	911,051	182,950
54.00 Electroencephalography	0	14,843	0	0	0	0	0	0	0	0	88,870	17,846
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	0	0	4,232,917	850,021
55.30 Imp. Dev. Charged to Patients	0	0	0	0	0	0	0	0	0	0	8,648,632	1,736,750
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	0	5,536,802	1,111,857
57.00 Renal Dialysis	0	0	0	0	0	0	0	0	0	0	583,248	117,123
58.01 CAT Scan	0	312,628	0	0	0	0	0	0	0	0	2,282,106	458,275
58.02 Endoscopy	0	92,583	0	0	0	0	0	0	0	0	752,167	151,044
58.03 Oncology	0	0	0	0	0	0	0	0	0	0	0	0
58.04 Hyperbaric/Wound Care	0	50,614	0	0	0	0	0	0	0	0	541,190	108,678
58.05 Cardiac Cath	0	38,722	0	0	0	0	0	0	0	0	394,275	79,175
58.06 Special Procedure	0	188,014	0	0	0	0	0	0	0	0	1,888,456	379,225
58.08 Oncology	0	15,466	0	0	0	0	0	0	0	0	91,157	18,305
58.09 Imaging Center	0	62,307	0	0	0	0	0	0	0	0	927,356	186,224
59.03	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	2,374,617	0	0	0	0	0	0	0	0	16,249,614	3,263,120
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	0	0	0	0	0	0	0	0	0	0	28,387	5,700
97.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
98.01 Physician's Private Offices	0	0	0	0	0	0	0	0	0	0	0	0
98.01 M.O.B.	0	0	0	0	0	0	0	0	0	0	825	166
98.02 Marketing	0	38,813	0	0	0	0	0	0	0	0	1,058,146	212,489
99.01 Nonreimbursable Meals	0	0	0	0	0	0	0	0	0	0	427,754	85,898
99.02	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	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	20,285,625	0	206,122,172	34,469,866							

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

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	1,092,250	0	244,563	0	116,739	0	476,084	0	0	456,184	0
38.00 Recovery Room	0	190,038	0	42,551	0	42,569	0	265,949	0	0	75,617	0
39.00 Delivery Room and Labor Room	0	573,964	0	128,515	0	148,234	0	716,615	0	0	74,611	0
40.00 Anesthesiology	0	58,245	0	13,042	0	0	0	0	0	0	138,988	0
41.00 Radiology - Diagnostic	0	499,331	0	111,804	0	78,942	0	0	0	0	310,328	0
41.01	0	0	0	0	0	0	0	0	0	0	0	0
43.00 Radioisotope	0	53,704	0	12,025	0	10,696	0	0	0	0	44,149	0
44.00 Laboratory	0	377,806	0	84,594	0	82,758	0	4	0	0	488,224	0
49.00 Respiratory Therapy	0	152,820	0	34,218	0	84,242	0	24	0	0	177,714	0
50.00 Physical Therapy	0	209,091	0	46,817	0	25,211	0	0	0	0	31,380	0
51.00 Occupational Therapy	0	0	0	0	0	2,221	0	0	0	0	2,388	0
52.00 Speech Pathology	0	8,293	0	1,857	0	0	0	0	0	0	2,994	0
53.00 Electrocardiology	0	24,187	0	5,416	0	16,188	0	37,379	0	0	149,864	0
54.00 Electroencephalography	0	0	0	0	0	1,728	0	0	0	0	1,904	0
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	1,346,874	0	245,494	0
55.30 Imp. Dev. Charged to Patients	0	0	0	0	0	0	0	0	0	0	260,003	0
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	4,336,460	791,191	0
57.00 Renal Dialysis	0	0	0	0	0	0	0	0	0	0	19,805	0
58.01 CAT Scan	0	63,774	0	14,279	0	36,395	0	0	0	0	823,809	0
58.02 Endoscopy	0	56,271	0	12,600	0	10,778	0	46,054	0	0	23,938	0
58.03 Oncology	0	0	0	0	0	0	0	0	0	0	0	0
58.04 Hyperbaric/Wound Care	0	214,521	0	48,033	0	5,892	0	5,524	0	0	43,575	0
58.05 Cardiac Cath	0	0	0	0	0	4,508	0	11,150	0	0	3,597	0
58.06 Special Procedure	0	137,222	0	30,725	0	21,888	0	67,480	0	0	53,188	0
58.08 Oncology	0	0	0	0	0	1,800	0	16,000	0	0	1,964	0
58.09 Imaging Center	0	420,552	0	94,165	0	7,253	0	0	0	0	32,522	0
59.03	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	1,856,548	0	415,695	0	276,442	0	1,106,517	0	0	819,060	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	0	63,083	0	14,125	0	0	0	0	0	0	0	0
97.00 Research	0	0	0	0	0	0	0	0	0	0	0	0
98.01 Physician's Private Offices	0	0	0	0	0	0	0	0	0	0	0	0
98.01 M.O.B.	0	0	0	0	0	0	0	0	0	0	0	0
98.02 Marketing	0	12,241	0	2,741	0	4,518	0	0	0	0	0	0
99.01 Nonreimbursable Meals	0	0	0	0	0	0	0	0	0	0	0	0
99.02	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	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	16,634,402	1,715,597	3,670,678	3,028,426	2,053,230	0	7,266,629	1,346,874	4,336,460	5,906,891	0

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

	TRIAL BALANCE	ALLOC	ALLOC	ALLOC	NON-	NURSING	INT & RES	INT & RES	PARAMED	SUBTOTAL	POST	TOTAL
	EXPENSES	COST	COST	COST	PHYSICIAN	SCHOOL	SALARY &	PROGRAM	EDUCAT		STEP-DOWN	COST
		19.00	19.02	19.03	ANESTH	21.00	FRINGES	23.00	24.00	25.00	26.00	27.00
ANCILLARY COST CENTERS												
37.00	Operating Room	0	0	0	0	0	0	0	0	18,261,532		18,261,532
38.00	Recovery Room	0	0	0	0	0	0	0	0	3,383,229		3,383,229
39.00	Delivery Room and Labor Room	0	0	0	0	0	0	0	0	11,899,708		11,899,708
40.00	Anesthesiology	0	0	0	0	0	0	0	0	289,635		289,635
41.00	Radiology - Diagnostic	0	0	0	0	0	0	0	0	6,958,493		6,958,493
41.01		0	0	0	0	0	0	0	0	0		0
43.00	Radioisotope	0	0	0	0	0	0	0	0	963,376		963,376
44.00	Laboratory	0	0	0	0	0	0	0	0	9,462,591		9,462,591
49.00	Respiratory Therapy	0	0	0	0	0	0	0	0	6,007,519		6,007,519
50.00	Physical Therapy	0	0	0	0	0	0	0	0	1,970,959		1,970,959
51.00	Occupational Therapy	0	0	0	0	0	0	0	0	141,341		141,341
52.00	Speech Pathology	0	0	0	0	0	0	0	0	222,370		222,370
53.00	Electrocardiology	0	0	0	0	0	0	0	0	1,327,034		1,327,034
54.00	Electroencephalography	0	0	0	0	0	0	0	0	110,348		110,348
55.00	Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	6,675,306		6,675,306
55.30	Imp. Dev. Charged to Patients	0	0	0	0	0	0	0	0	10,645,386		10,645,386
56.00	Drugs Charged to Patients	0	0	0	0	0	0	0	0	11,776,310		11,776,310
57.00	Renal Dialysis	0	0	0	0	0	0	0	0	720,177		720,177
58.01	CAT Scan	0	0	0	0	0	0	0	0	3,678,637		3,678,637
58.02	Endoscopy	0	0	0	0	0	0	0	0	1,052,851		1,052,851
58.03	Oncology	0	0	0	0	0	0	0	0	0		0
58.04	Hyperbaric/Wound Care	0	0	0	0	0	0	0	0	967,413		967,413
58.05	Cardiac Cath	0	0	0	0	0	0	0	0	492,704		492,704
58.06	Special Procedure	0	0	0	0	0	0	0	0	2,578,183		2,578,183
58.08	Oncology	0	0	0	0	0	0	0	0	129,227		129,227
58.09	Imaging Center	0	0	0	0	0	0	0	0	1,668,072		1,668,072
59.03		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	23,986,996		23,986,996
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	0	0	0	0	0	0	0	0	111,295		111,295
97.00	Research	0	0	0	0	0	0	0	0	0		0
98.01	Physician's Private Offices	0	0	0	0	0	0	0	0	0		0
98.01	M.O.B.	0	0	0	0	0	0	0	0	991		991
98.02	Marketing	0	0	0	0	0	0	0	0	1,290,135		1,290,135
99.01	Nonreimbursable Meals	0	0	0	0	0	0	0	0	513,652		513,652
99.02		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		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	206,122,172	0	206,122,172

STATE OF CALIFORNIA

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

SCHEDULE 9.1

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

	EMP BENE (GROSS SALARIES)	STAT	STAT	ADM & GEN (ACCUM COST)	MAINT & REPAIRS (SQ FT)							
	5.00 (Adj) (Adj)	6.01 (Adj) (Adj)	6.02 (Adj) (Adj)	6.03 (Adj) (Adj)	6.04 (Adj) (Adj)	6.05 (Adj) (Adj)	6.06 (Adj) (Adj)	6.07 (Adj) (Adj)	6.08 (Adj) (Adj)			7.00 (Adj) (Adj)
ANCILLARY COST CENTERS												
37.00	Operating Room	4,903,691									13,220,812	
38.00	Recovery Room	1,788,130									2,303,863	
39.00	Delivery Room and Labor Room	6,226,691									8,542,359	
40.00	Anesthesiology										66,089	
41.00	Radiology - Diagnostic	3,316,020									4,961,715	
41.01											0	
43.00	Radioisotope	449,278									701,860	
44.00	Laboratory	3,476,330									7,019,587	
49.00	Respiratory Therapy	3,538,670									4,628,951	
50.00	Physical Therapy	1,059,023									1,381,115	
51.00	Occupational Therapy	93,292									113,867	
52.00	Speech Pathology										174,238	
53.00	Electrocardiology	679,984									911,051	
54.00	Electroencephalography	72,583									88,870	
55.00	Medical Supplies Charged to Patients										4,232,917	
55.30	Imp. Dev. Charged to Patients										8,648,632	
56.00	Drugs Charged to Patients										5,536,802	
57.00	Renal Dialysis										583,248	
58.01	CAT Scan	1,528,786									2,282,106	
58.02	Endoscopy	452,742									752,167	
58.03	Oncology										0	
58.04	Hyperbaric/Wound Care	247,508									541,190	
58.05	Cardiac Cath	189,353									394,275	
58.06	Special Procedure	919,408									1,888,456	
58.08	Oncology	75,631									91,157	
58.09	Imaging Center	304,688									927,356	
59.03											0	
59.03											0	
60.00	Clinic										0	
60.01	Other Clinic Services										0	
61.00	Emergency	11,612,142									16,249,614	
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										28,387	
97.00	Research										0	
98.01	Physician's Private Offices										0	
98.01	M.O.B.										825	
98.02	Marketing	189,801									1,058,146	
99.01	Nonreimbursable Meals										427,754	
99.02											0	
99.04											0	
99.05											0	
100.00											0	
100.01											0	
100.02											0	
100.03											0	
100.04											0	
TOTAL	99,198,968	0	0	0	0	0	0	0	0	0	171,652,306	0
COST TO BE ALLOCATED	20,285,625	0	0	0	0	0	0	0	0	0	34,469,866	0
UNIT COST MULTIPLIER - SCH 8	0.204494	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.200812	0.000000

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

	OPER PLANT (SQ FT)	LAUNDRY & LINEN (LB LNDRY)	HOUSE-KEEPING (HR SERV)	DIETARY (MEALS SERVED)	CAFETERIA (GROSS SALARIES)	MAINT OF PERSONNEL (# HOUSED)	NURSING ADMIN (NURSE HR)	CENT SERV & SUPPLY (CST REQ)	PHARMACY (COSTS REQUIS)	MED REC (TIME SPENT)	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)	
	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	
ANCILLARY COST CENTERS													
37.00	Operating Room	11,064		11,064	4,903,691		2,985,504			55,003,159			
38.00	Recovery Room	1,925		1,925	1,788,130		1,667,752			9,117,279			
39.00	Delivery Room and Labor Room	5,814		5,814	6,226,691		4,493,863			8,996,015			
40.00	Anesthesiology	590		590						16,758,031			
41.00	Radiology - Diagnostic	5,058		5,058	3,316,020					37,416,975			
41.01													
43.00	Radioisotope	544		544	449,278					5,323,084			
44.00	Laboratory	3,827		3,827	3,476,330		25			58,866,273			
49.00	Respiratory Therapy	1,548		1,548	3,538,670		152			21,427,385			
50.00	Physical Therapy	2,118		2,118	1,059,023					3,783,502			
51.00	Occupational Therapy				93,292					287,930			
52.00	Speech Pathology	84		84						361,041			
53.00	Electrocardiology	245		245	679,984		234,400			18,069,456			
54.00	Electroencephalography				72,583					229,578			
55.00	Medical Supplies Charged to Patients							10,000		29,599,763			
55.30	Imp. Dev. Charged to Patients									31,349,175			
56.00	Drugs Charged to Patients								10,000	95,395,606			
57.00	Renal Dialysis									2,387,981			
58.01	CAT Scan	646		646	1,528,786					99,328,446			
58.02	Endoscopy	570		570	452,742		288,801			2,886,204			
58.03	Oncology												
58.04	Hyperbaric/Wound Care	2,173		2,173	247,508		34,643			5,253,910			
58.05	Cardiac Cath				189,353		69,920			433,708			
58.06	Special Procedure	1,390		1,390	919,408		423,162			6,412,937			
58.08	Oncology				75,631		100,338			236,797			
58.09	Imaging Center	4,260		4,260	304,688					3,921,199			
59.03													
59.03													
60.00	Clinic												
60.01	Other Clinic Services												
61.00	Emergency	18,806		18,806	11,612,142		6,938,919			98,755,839			
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	639		639									
97.00	Research												
98.01	Physician's Private Offices												
98.01	M.O.B.												
98.02	Marketing	124		124	189,801								
99.01	Nonreimbursable Meals												
99.02													
99.04													
99.05													
100.00													
100.01													
100.02													
100.03													
100.04													
TOTAL		168,499	70,605	166,061	64,329	86,247,506	0	45,568,703	10,000	10,000	712,206,847	0	0
COST TO BE ALLOCATED		16,634,402	1,715,597	3,670,678	3,028,426	2,053,230	0	7,266,629	1,346,874	4,336,460	5,906,891	0	0
UNIT COST MULTIPLIER - SCH 8		98.721073	24.298525	22.104397	47.077158	0.023806	0.000000	0.159465	134.687385	433.646011	0.008294	0.000000	0.000000

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

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	19.03	20.00	21.00	22.00	23.00	24.00
	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)
	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)
GENERAL SERVICE COST CENTERS							
1.00							
2.00							
3.00							
4.00							
4.01							
4.02							
4.03							
4.04							
4.05							
4.06							
4.07							
4.08							
5.00							
6.01							
6.02							
6.03							
6.04							
6.05							
6.06							
6.07							
6.08							
6.00							
7.00							
8.00							
9.00							
10.00							
11.00							
12.00							
13.00							
14.00							
15.00							
16.00							
17.00							
18.00							
19.00							
19.02							
19.03							
20.00							
21.00							
22.00							
23.00							
24.00							
INPATIENT ROUTINE COST CENTERS							
25.00							
26.00							
27.00							
28.00							
29.00							
30.00							
31.00							
32.00							
33.00							
34.00							
35.00							
36.00							
36.01							
36.02							

TRIAL BALANCE OF EXPENSES

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

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	12,213,387	0	12,213,387
4.00	New Cap Rel Costs-Movable Equipment		0	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	20,218,989	0	20,218,989
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	31,684,297	0	31,684,297
7.00	Maintenance and Repairs		0	0
8.00	Operation of Plant	9,696,858	0	9,696,858
9.00	Laundry and Linen Service	1,284,206	0	1,284,206
10.00	Housekeeping	2,892,583	0	2,892,583
11.00	Dietary	834,286	0	834,286
12.00	Cafeteria	1,709,868	0	1,709,868
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	4,943,870	0	4,943,870
15.00	Central Services & Supply	562,506	0	562,506
16.00	Pharmacy	2,482,370	0	2,482,370
17.00	Medical Records and Library	3,743,762	0	3,743,762
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)	28,666,240	0	28,666,240
26.00	Intensive Care Unit	6,633,838	0	6,633,838
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	1,936,019	0	1,936,019
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:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	ANCILLARY COST CENTERS			
37.00	Operating Room	\$ 11,726,529	\$ 0	\$ 11,726,529
38.00	Recovery Room	1,852,684	0	1,852,684
39.00	Delivery Room and Labor Room	7,010,755	0	7,010,755
40.00	Anesthesiology	39,879	0	39,879
41.00	Radiology - Diagnostic	4,058,911	0	4,058,911
41.01			0	0
43.00	Radioisotope	585,819	0	585,819
44.00	Laboratory	6,138,687	0	6,138,687
49.00	Respiratory Therapy	3,836,545	0	3,836,545
50.00	Physical Therapy	1,070,461	0	1,070,461
51.00	Occupational Therapy	94,789	0	94,789
52.00	Speech Pathology	170,506	0	170,506
53.00	Electrocardiology	761,114	0	761,114
54.00	Electroencephalography	74,027	0	74,027
55.00	Medical Supplies Charged to Patients	4,232,917	0	4,232,917
55.30	Imp. Dev. Charged to Patients	8,648,632	0	8,648,632
56.00	Drugs Charged to Patients	5,536,802	0	5,536,802
57.00	Renal Dialysis	583,248	0	583,248
58.01	CAT Scan	1,940,780	0	1,940,780
58.02	Endoscopy	634,262	0	634,262
58.03	Oncology		0	0
58.04	Hyperbaric/Wound Care	394,043	0	394,043
58.05	Cardiac Cath	355,553	0	355,553
58.06	Special Procedure	1,638,693	0	1,638,693
58.08	Oncology	75,691	0	75,691
58.09	Imaging Center	675,803	0	675,803
59.03			0	0
59.03			0	0
60.00	Clinic		0	0
60.01	Other Clinic Services		0	0
61.00	Emergency	13,039,560	0	13,039,560
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	\$ 204,679,769	\$ 0	\$ 204,679,769
	NONREIMBURSABLE COST CENTERS			
96.00	Gift, Flower, Coffee Shop		0	0
97.00	Research		0	0
98.01	Physician's Private Offices		0	0
98.01	M.O.B.	825	0	825
98.02	Marketing	1,013,824	0	1,013,824
99.01	Nonreimbursable Meals	427,754	0	427,754
99.02			0	0
99.04			0	0
99.05			0	0
100.00			0	0
100.01			0	0
100.02			0	0
100.03			0	0
100.04			0	0
100.99	SUBTOTAL	\$ 1,442,403	\$ 0	\$ 1,442,403
101	TOTAL	\$ 206,122,172	\$ 0	\$ 206,122,172

(To Schedule 8)

Provider Name:
SOUTHWEST HEALTHCARE SYSTEM

Fiscal Period Ended:
DECEMBER 31, 2010

	TOTAL ADJ (Page 1 & 2)	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											
41.01	0											
43.00 Radioisotope	0											
44.00 Laboratory	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											
54.00 Electroencephalography	0											
55.00 Medical Supplies Charged to Patients	0											
55.30 Imp. Dev. Charged to Patients	0											
56.00 Drugs Charged to Patients	0											
57.00 Renal Dialysis	0											
58.01 CAT Scan	0											
58.02 Endoscopy	0											
58.03 Oncology	0											
58.04 Hyperbaric/Wound Care	0											
58.05 Cardiac Cath	0											
58.06 Special Procedure	0											
58.08 Oncology	0											
58.09 Imaging Center	0											
59.03	0											
59.03	0											
60.00 Clinic	0											
60.01 Other Clinic Services	0											
61.00 Emergency	0											
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	0											
97.00 Research	0											
98.01 Physician's Private Offices	0											
98.01 M.O.B.	0											
98.02 Marketing	0											
99.01 Nonreimbursable Meals	0											
99.02	0											
99.04	0											
99.05	0											
100.00	0											
100.01	0											
100.02	0											
100.03	0											
100.04	0											
101.00 TOTAL	\$0	0	0	0	0	0	0	0	0	0	0	0

Provider Name							Fiscal Period			Provider NPI		Adjustments
SOUTHWEST HEALTHCARE SYSTEM							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010			1245221050		4
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												
1	Contract 4	D-1	I		25.00	1	Medi-Cal Days - Adults & Pediatrics (Gen Routine)	5,473	613	6,086		
	Contract 4A	D-1	II		33.00	4	Medi-Cal Days - Nursery	1,790	(90)	1,700		
	Contract 4A	D-1	II		26.00	4	Medi-Cal Days - Intensive Care Unit	498	82	580		
2	Contract 6	D-4		XIX	37.00	2	Medi-Cal Ancillary Charges - Operating Room	\$958,647	\$2,316,522	\$3,275,169		
	Contract 6	D-4		XIX	38.00	2	Medi-Cal Ancillary Charges - Recovery Room	220,637	239,485	460,122		
	Contract 6	D-4		XIX	39.00	2	Medi-Cal Ancillary Charges - Delivery Room and Labor Room	6,307,603	(4,932,038)	1,375,565		
	Contract 6	D-4		XIX	40.00	2	Medi-Cal Ancillary Charges - Anesthesiology	300,982	1,003,921	1,304,903		
	Contract 6	D-4		XIX	41.00	2	Medi-Cal Ancillary Charges - Radiology	1,194,922	272,037	1,466,959		
	Contract 6	D-4		XIX	43.00	2	Medi-Cal Ancillary Charges - Radioisotope	217,060	62,437	279,497		
	Contract 6	D-4		XIX	44.00	2	Medi-Cal Ancillary Charges - Laboratory	2,545,727	940,820	3,486,547		
	Contract 6	D-4		XIX	49.00	2	Medi-Cal Ancillary Charges - Respiratory Therapy	2,540,862	95,527	2,636,389		
	Contract 6	D-4		XIX	50.00	2	Medi-Cal Ancillary Charges - Physical Therapy	169,325	97,686	267,011		
	Contract 6	D-4		XIX	51.00	2	Medi-Cal Ancillary Charges - Occupational Therapy	35,638	2,659	38,297		
	Contract 6	D-4		XIX	52.00	2	Medi-Cal Ancillary Charges - Speech Pathology	22,327	1,935	24,262		
	Contract 6	D-4		XIX	53.00	2	Medi-Cal Ancillary Charges - Electrocardiology	599,501	(140,291)	459,210		
	Contract 6	D-4		XIX	54.00	2	Medi-Cal Ancillary Charges - Electroencephalography	15,926	5,652	21,578		
	Contract 6	D-4		XIX	55.00	2	Medi-Cal Ancillary Charges - Medical Supplies Charged to Patients	1,447,096	462,412	1,909,508		
	Contract 6	D-4		XIX	55.30	2	Medi-Cal Ancillary Charges - Impl. Dev. Charged to Patients	444,835	(113,879)	330,956		
	Contract 6	D-4		XIX	56.00	2	Medi-Cal Ancillary Charges - Drugs Charged to Patients	6,937,057	2,924,711	9,861,768		
	Contract 6	D-4		XIX	57.00	2	Medi-Cal Ancillary Charges - Renal Dialysis	149,182	106,558	255,740		
	Contract 6	D-4		XIX	58.00	2	Medi-Cal Ancillary Charges - CAT Scan	2,166,356	359,805	2,526,161		
	Contract 6	D-4		XIX	58.02	2	Medi-Cal Ancillary Charges - Endoscopy	137,683	(7,356)	130,327		
	Contract 6	D-4		XIX	58.05	2	Medi-Cal Ancillary Charges - Cardiac Cath	9,375	267,496	276,871		
	Contract 6	D-4		XIX	58.06	2	Medi-Cal Ancillary Charges - Special Procedure	230,250	(19,958)	210,292		
	Contract 6	D-4		XIX	61.00	2	Medi-Cal Ancillary Charges - Emergency	1,773,523	368,681	2,142,204		
	Contract 6	D-4		XIX	62.00	2	Medi-Cal Ancillary Charges - Observation Beds	65,791	730,742	796,533		
	Contract 6	D-4		XIX	101.00	2	Medi-Cal Ancillary Charges - Total	28,490,305	5,045,564	33,535,869		

-Continued on next page-

Provider Name							Fiscal Period		Provider NPI		Adjustments
SOUTHWEST HEALTHCARE SYSTEM							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010		1245221050		4
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											
-Continued from previous page-											
3	Contract 2	E-3	III	XIX	10.00	1	Medi-Cal Routine Service Charges	\$6,189,510	\$4,487,490	\$10,677,000	
	Contract 2	E-3	III	XIX	11.00	1	Medi-Cal Ancillary Service Charges	28,490,305	5,045,564	33,535,869	
4	Contract 3	E-3	III	XIX	33.00	1	Medi-Cal Patient and Third Party Liability	\$0	\$41,428	\$41,428	
	Contract 3	E-3	III	XIX	36.00	1	Medi-Cal Coinsurance	0	345,492	345,492	
<p style="text-align: center;">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 April 30, 2012 Report Date: May 15, 2012 42 CFR 413.20, 413.24, 413.53, and 433.139 CMS Pub. 15-1, Sections 2304, 2404, and 2408 CCR, Title 22, Section 51541</p>											