

**REPORT  
ON THE  
HOME OFFICE AUDIT**

**FORESIGHT MANAGEMENT SERVICES  
SAN RAMON, CALIFORNIA**

**FISCAL PERIOD ENDED  
DECEMBER 31, 2010**

**Audits Section - Richmond  
Financial Audits Branch  
Audits and Investigations  
Department of Health Care Services**

**Section Chief: Louise Wong  
Audit Supervisor: Jesse Duran  
Auditor: Pamela Yeung**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

April 27, 2012

Michelle Lewis  
Accounting Supervisor  
Foresight Management Services, LLC  
5000 Executive Parkway, Suite 150  
San Ramon, CA 94583

**AMENDED**

FORESIGHT MANAGEMENT SERVICES  
FISCAL PERIOD ENDED DECEMBER 31, 2010

We have amended the provider's Medi-Cal Home Office Audit Report, dated January 25, 2012, for the above referenced fiscal period. The amendment was necessary to correct an input error for the allocation statistics on Schedule 4

Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the Summary of Amended Home Office Costs to Health Facilities represents a proper determination of home office allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles. The audited home office cost will be incorporated, by separate adjustment, into each applicable facility audit report.

This Audit Report includes the:

1. Summary of Amended Home Office Costs to Health Care Facilities
2. Audit Adjustments Schedule

If you disagree with the decision of the Department, the results of the home office audit may only be appealed through each individual facility's audit report. Please refer to the appeal instructions in each facility's audit report.

Michelle Lewis  
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If you have further questions regarding this report, you may call the Audits Section-Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief  
Audits Section-Richmond  
Financial Audits Branch

Certified

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## AMENDED SUMMARY OF AUDITED HOME OFFICE CAPITAL AND NONCAPITAL RELATED COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		CAPITAL RELATED (SCHEDULE 3) 1	NONCAPITAL RELATED (SCHEDULE 3-1) 2	TOTAL AMENED H.O. COSTS (COLUMN 1 + 2) 3
		FROM	TO			
<b><u>HEALTH CARE FACILITIES</u></b>						
1. McClure Convalescent Hospital	ZZR55067G	01/01/10	12/31/10	\$14,622	\$250,218	\$264,840
2. Northgate Care Center	ZZR18405G	01/01/10	12/31/10	9,886	169,181	179,067
3. San Bruno Skilled Nursing Hospital	ZZR18193G	01/01/10	12/31/10	9,698	165,958	175,656
4. Valley Pointe Nursing and Rehabilitation Center	ZZR55082H	01/01/10	12/31/10	10,976	187,834	198,810
5. Woodland Nursing Inn	LTC06469G	01/01/10	03/19/10	929	15,899	16,828
6. All Saints Subacute and Rehabilitation Center	LTC55809F	01/01/10	12/31/10	31,699	542,463	574,162
7. Brookside Skilled Nursing Hospital	ZZR05188G	01/01/10	12/31/10	18,097	309,688	327,785
8. Reutlinger Community For Jewish Living	ZZR05534F	01/01/10	12/31/10	24,784	424,129	448,913
9. St. John Kronstadt Convalescent Center	ZZR55016G	01/01/10	12/31/10	9,307	159,261	168,567
10. GS Calistoga Inc.	ZZR05224I	01/01/10	07/01/10	3,552	60,781	64,333
11. Convalescent Center Mission Street	ZZR06449I	01/01/10	12/31/10	11,457	196,058	207,515
12. Shasta View Nursing Center	ZZR05807H	01/01/10	12/31/10	9,370	160,338	169,707
13. Vista Del Sol Care Center	ZZT05599I	01/01/10	12/31/10	8,491	145,310	153,801
<b>SUBTOTAL (LINES 1 THROUGH 13)</b>				<b>\$162,867</b>	<b>\$2,787,118</b>	<b>\$2,949,985</b>
<b><u>OTHER COMPONENTS</u></b>						
14. Fore rehab Therapy Services	N/A	01/01/10	12/31/10	\$150	\$2,568	\$2,718
15. Professional Healthcare Services	N/A	01/01/10	12/31/10	1,018	17,417	18,435
<b>SUBTOTAL (LINES 14 THROUGH 15)</b>				<b>\$1,168</b>	<b>\$19,984</b>	<b>\$21,152</b>
<b>GRAND TOTAL</b>				<b>\$164,035</b>	<b>\$2,807,102</b>	<b>\$2,971,137</b>

## COMPARISON OF REPORTED AND AMENDED HOME OFFICE COSTS

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		REPORTED HOME OFFICE COSTS (SCH. 9)	AMENDED H.O. COSTS (SCH. 3 & 3-1)	VARIANCE (COLUMN 2-1)
		FROM	TO	1	2	3
<b><u>HEALTH CARE FACILITIES</u></b>						
1. McClure Convalescent Hospital	ZZR55067G	01/01/10	12/31/10	\$270,955	\$264,840	(\$6,115)
2. Northgate Care Center	ZZR18405G	01/01/10	12/31/10	178,231	179,067	836
3. San Bruno Skilled Nursing Hospital	ZZR18193G	01/01/10	12/31/10	174,975	175,656	681
4. Valley Pointe Nursing and Rehabilitation Center	ZZR55082H	01/01/10	12/31/10	197,762	198,810	1,048
5. Woodland Nursing Inn	LTC06469G	01/01/10	03/19/10	16,272	16,828	556
6. All Saints Subacute and Rehabilitation Center	LTC55809F	01/01/10	12/31/10	581,895	574,162	(7,733)
7. Brookside Skilled Nursing Hospital	ZZR05188G	01/01/10	12/31/10	333,070	327,785	(5,285)
8. Reutlinger Community For Jewish Living	ZZR05534F	01/01/10	12/31/10	545,446	448,913	(96,533)
9. St. John Kronstadt Convalescent Center	ZZR55016G	01/01/10	12/31/10	173,128	168,567	(4,561)
10. GS Calistoga Inc.	ZZR05224I	01/01/10	07/01/10	63,276	64,333	1,057
11. Convalescent Center Mission Street	ZZR06449I	01/01/10	12/31/10	208,241	207,515	(726)
12. Shasta View Nursing Center	ZZR05807H	01/01/10	12/31/10	168,252	169,707	1,455
13. Vista Del Sol Care Center	ZZT05599I	01/01/10	12/31/10	162,716	153,801	(8,915)
<b>SUBTOTAL (LINES 1 THROUGH 13)</b>				<b>\$3,074,219</b>	<b>\$2,949,985</b>	<b>(\$124,234)</b>
<b><u>OTHER COMPONENTS</u></b>						
14. Fore rehab Therapy Services	N/A	01/01/10	12/31/10	\$0	\$2,718	\$2,718
15. Professional Healthcare Services	N/A	01/01/10	12/31/10	0	18,435	18,435
<b>SUBTOTAL (LINES 14 THROUGH 15)</b>				<b>\$0</b>	<b>\$21,152</b>	<b>\$21,152</b>
<b>GRAND TOTAL</b>				<b>\$3,074,219</b>	<b>\$2,971,137</b>	<b>(\$103,082)</b>

## AMENDED SUMMARY ALLOCATION OF HOME OFFICE COSTS - CAPITAL RELATED

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT CAPITAL COSTS 1	FUNCTIONAL CAPITAL COSTS 2	POOLED CAPITAL COSTS (SCHEDULE 4) 3	TOTAL CAPITAL COSTS (COL. 1 TO 3)	
		FROM	TO					
<b><u>HEALTH CARE FACILITIES</u></b>								
1.	McClure Convalescent Hospital	ZZR55067G	01/01/10	12/31/10	\$0	\$0	\$14,622	\$14,622
2.	Northgate Care Center	ZZR18405G	01/01/10	12/31/10	0	0	9,886	9,886
3.	San Bruno Skilled Nursing Hospital	ZZR18193G	01/01/10	12/31/10	0	0	9,698	9,698
4.	Valley Pointe Nursing and Rehabilitation Center	ZZR55082H	01/01/10	12/31/10	0	0	10,976	10,976
5.	Woodland Nursing Inn	LTC06469G	01/01/10	03/19/10	0	0	929	929
6.	All Saints Subacute and Rehabilitation Center	LTC55809F	01/01/10	12/31/10	0	0	31,699	31,699
7.	Brookside Skilled Nursing Hospital	ZZR05188G	01/01/10	12/31/10	0	0	18,097	18,097
8.	Reutlinger Community For Jewish Living	ZZR05534F	01/01/10	12/31/10	0	0	24,784	24,784
9.	St. John Kronstadt Convalescent Center	ZZR55016G	01/01/10	12/31/10	0	0	9,307	9,307
10.	GS Calistoga Inc.	ZZR05224I	01/01/10	07/01/10	0	0	3,552	3,552
11.	Convalescent Center Mission Street	ZZR06449I	01/01/10	12/31/10	0	0	11,457	11,457
12.	Shasta View Nursing Center	ZZR05807H	01/01/10	12/31/10	0	0	9,369	9,370
13.	Vista Del Sol Care Center	ZZT05599I	01/01/10	12/31/10	0	0	8,491	8,491
<b>SUBTOTAL (LINES 1 THROUGH 13)</b>					<b>\$0</b>	<b>\$0</b>	<b>\$162,867</b>	<b>\$162,867</b>
<b><u>OTHER COMPONENTS</u></b>								
14.	Forerehab Therapy Services	N/A	01/01/10	12/31/10	\$0	\$0	\$150	\$150
15.	Professional Healthcare Services	N/A	01/01/10	12/31/10	0	0	1,018	1,018
<b>SUBTOTAL (LINES 14 THROUGH 15)</b>					<b>\$0</b>	<b>\$0</b>	<b>\$1,168</b>	<b>\$1,168</b>
<b>GRAND TOTAL</b>					<b>\$0</b>	<b>\$0</b>	<b>\$164,035</b>	<b>\$164,035</b>

(To Schedule 1 &amp; 2)

## AMENDED SUMMARY ALLOCATION OF HOME OFFICE COSTS - NONCAPITAL RELATED

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT COSTS  1	FUNCTIONAL COSTS  2	POOLED COSTS (SCH. 4) 3	TOTAL NONCAPITAL COSTS (COL. 1 TO 3)	
		FROM	TO					
<b><u>HEALTH CARE FACILITIES</u></b>								
1.	McClure Convalescent Hospital	ZZR55067G	01/01/10	12/31/10	\$0	\$0	\$250,218	\$250,218
2.	Northgate Care Center	ZZR18405G	01/01/10	12/31/10	0	0	169,181	169,181
3.	San Bruno Skilled Nursing Hospital	ZZR18193G	01/01/10	12/31/10	0	0	165,958	165,958
4.	Valley Pointe Nursing and Rehabilitation Center	ZZR55082H	01/01/10	12/31/10	0	0	187,834	187,834
5.	Woodland Nursing Inn	LTC06469G	01/01/10	03/19/10	0	0	15,899	15,899
6.	All Saints Subacute and Rehabilitation Center	LTC55809F	01/01/10	12/31/10	0	0	542,463	542,463
7.	Brookside Skilled Nursing Hospital	ZZR05188G	01/01/10	12/31/10	0	0	309,688	309,688
8.	Reutlinger Community For Jewish Living	ZZR05534F	01/01/10	12/31/10	0	0	424,129	424,129
9.	St. John Kronstadt Convalescent Center	ZZR55016G	01/01/10	12/31/10	0	0	159,261	159,261
10.	GS Calistoga Inc.	ZZR05224I	01/01/10	07/01/10	0	0	60,781	60,781
11.	Convalescent Center Mission Street	ZZR06449I	01/01/10	12/31/10	0	0	196,058	196,058
12.	Shasta View Nursing Center	ZZR05807H	01/01/10	12/31/10	0	0	160,338	160,338
13.	Vista Del Sol Care Center	ZZT05599I	01/01/10	12/31/10	0	0	145,310	145,310
<b>SUBTOTAL (LINES 1 THROUGH 13)</b>					<b>\$0</b>	<b>\$0</b>	<b>\$2,787,118</b>	<b>\$2,787,118</b>
<b><u>OTHER COMPONENTS</u></b>								
14.	Forerehab Therapy Services	N/A	01/01/10	12/31/10	\$0	\$0	\$2,568	\$2,568
15.	Professional Healthcare Services	N/A	01/01/10	12/31/10	0	0	17,417	17,417
<b>SUBTOTAL (LINES 14 THROUGH 15)</b>					<b>\$0</b>	<b>\$0</b>	<b>\$19,984</b>	<b>\$19,984</b>
<b>GRAND TOTAL</b>					<b>\$0</b>	<b>\$0</b>	<b>\$2,807,102</b>	<b>\$2,807,102</b>

(To Schedule 1 &amp; 2)

## AMENDED POOLED ALLOCATION OF HOME OFFICE COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	MEDI-CAL NUMBER	TOTAL COST (SCH. G, COL. 1) 1	CAPITAL (SCH. 8) 2	NONCAPITAL (SCH. 8) 3	TOTAL POOLED (COL. 2 + 3) 4
<b><u>HEALTH CARE FACILITIES</u></b>					
		(Adj 4)			
1. McClure Convalescent Hospital	ZZR55067G	\$6,021,936	\$14,622	\$250,218	\$264,840
2. Northgate Care Center	ZZR18405G	4,071,641	9,886	169,181	179,067
3. San Bruno Skilled Nursing Hospital	ZZR18193G	3,994,069	9,698	165,958	175,656
4. Valley Pointe Nursing and Rehabilitation Center	ZZR55082H	4,520,552	10,976	187,834	198,810
5. Woodland Nursing Inn	LTC06469G	382,632	929	15,899	16,828
6. All Saints Subacute and Rehabilitation Center	LTC55809F	13,055,316	31,699	542,463	574,162
7. Brookside Skilled Nursing Hospital	ZZR05188G	7,453,188	18,097	309,688	327,785
8. Reutlinger Community For Jewish Living	ZZR05534F	10,207,408	24,784	424,129	448,913
9. St. John Kronstadt Convalescent Center	ZZR55016G	3,832,883	9,307	159,261	168,567
10. GS Calistoga Inc.	ZZR05224I	1,462,808	3,552	60,781	64,333
11. Convalescent Center Mission Street	ZZR06449I	4,718,481	11,457	196,058	207,515
12. Shasta View Nursing Center	ZZR05807H	3,858,808	9,369	160,338	169,707
13. Vista Del Sol Care Center	ZZT05599I	3,497,129	8,491	145,310	153,801
<b>SUBTOTAL (LINES 1 THROUGH 13)</b>		<b>\$67,076,851</b>	<b>\$162,867</b>	<b>\$2,787,118</b>	<b>\$2,949,985</b>
<b><u>OTHER COMPONENTS</u></b>					
14. Forerehab Therapy Services	N/A	\$61,795	\$150	\$2,568	\$2,718
15. Professional Healthcare Services	N/A	419,164	1,018	17,417	18,434
<b>SUBTOTAL (LINES 14 THROUGH 15)</b>		<b>\$480,959</b>	<b>\$1,168</b>	<b>\$19,984</b>	<b>\$21,152</b>
<b>GRAND TOTAL</b>		<b>\$67,557,810</b>	<b>\$164,035</b>	<b>\$2,807,102</b>	<b>\$2,971,137</b>
			(To Schedule 3)	(To Schedule 3-1)	
MULTIPLIER			0.002428	0.041551	

## TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

LINE NO.	COST CENTER DESCRIPTION	REPORTED POOLED ALLOC. (SCH. B, COL 8)	ADJ. NO.	ADJUSTMENT AMOUNTS	AMENDED POOLED COSTS
<b>CAPITAL-RELATED COSTS - OLD</b>					
1.00	Old Capital Related - Buildings and Fixtures	\$0		\$0	\$0
2.00	Old Capital Related - Movable Equipment	0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.00)	\$0		\$0	\$0
<b>CAPITAL-RELATED COSTS - NEW</b>					
4.00	New Capital Related - Buildings and Fixtures	\$154,558	1	(\$19,608)	\$134,950
5.00	New Capital Related - Movable Equipment	9,477		0	9,477
6.00	SUBTOTAL (sum of lines 4 through 5.00)	\$164,035		(\$19,608)	\$144,427
<b>OTHER CAPITAL- RELATED COSTS</b>					
7.00	Insurance Premiums	\$0	1	\$13,235	\$13,235
8.00	Taxes and Licenses - Not INCM	0	1	6,373	6,373
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	\$0		\$19,608	\$19,608
<b>NON CAPITAL-RELATED COSTS</b>					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries and Wages of Others	1,824,255		0	1,824,255
13.00	Payroll Taxes	123,793		0	123,793
14.00	Employee Benefits - Payroll Related	177,882		0	177,882
15.00	Employee Benefits -Nonpayroll Related	11,554		0	11,554
16.00	Profit Sharing/Pension Plans	9,991		0	9,991
17.00	Legal Fees	19,514		0	19,514
18.00	Auditing and Accounting Fees	122,326		0	122,326
19.00	Utilities	15,902		0	15,902
20.00	Communications	56,346		0	56,346
21.00	Travel and Entertainment	70,582		0	70,582
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	21,363		0	21,363
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs and Maintenance	69,750		0	69,750
26.00	Dues and Subscriptions	17,960		0	17,960
27.00	Contributions	0		0	0
28.00	Insurance Premium - Non Capital Related	4,828		0	4,828
29.00	Taxes and Licenses - Non Capital Related	2,917		0	2,917
30.00	Interest Expense	0		0	0
31.00	Miscellaneous	258,455	3	(101,082)	157,373
32.00	Postage	13,606		0	13,606
33.00	Seminars / Training	55,415	2	(2,000)	53,415
34.00	Service Development / Bad Debt	33,745		0	33,745
35.00	Other	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.00)	\$2,910,184		(\$103,082)	\$2,807,102
37.00	TOTAL ALLOWABLE EXPENSES	\$3,074,219		(\$103,082)	\$2,971,137 (To Sch. 4)
38.00	NONREIMBURSABLE EXPENSES	\$0		\$0	\$0
	<b>TOTAL EXPENSES</b>	<b>\$3,074,219</b>		<b>(\$103,082)</b>	<b>\$2,971,137</b>

## TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICES

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

LINE NO.	COST CENTER DESCRIPTION	REPORTED DIRECT ALLOC. (SCH. B, COL 6)	ADJ. NO.	ADJUSTMENT AMOUNTS	AMENDED DIRECT COSTS
<b>CAPITAL-RELATED COSTS - OLD</b>					
1.00	Old Capital Related - Buildings and Fixtures	\$0		\$0	\$0
2.00	Old Capital Related - Movable Equipment	0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.00)	\$0		\$0	\$0
<b>CAPITAL-RELATED COSTS - NEW</b>					
4.00	New Capital Related - Buildings and Fixtures	\$0		\$0	\$0
5.00	New Capital Related - Movable Equipment	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.00)	\$0		\$0	\$0
<b>OTHER CAPITAL- RELATED COSTS</b>					
7.00	Insurance Premiums	\$0		\$0	\$0
8.00	Taxes and Licenses - Not INCM	0		0	0
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	\$0		\$0	\$0
<b>NON CAPITAL-RELATED COSTS</b>					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries and Wages of Others	0		0	0
13.00	Payroll Taxes	0		0	0
14.00	Employee Benefits - Payroll Related	0		0	0
15.00	Employee Benefits -Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing and Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel and Entertainment	0		0	0
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs and Maintenance	0		0	0
26.00	Dues and Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium - Non Capital Related	0		0	0
29.00	Taxes and Licenses - Non Capital Related	0		0	0
30.00	Interest Expense	0		0	0
31.00	Miscellaneous	0		0	0
32.00	Postage	0		0	0
33.00	Seminars / Training	0		0	0
34.00	Service Development / Bad Debt	0		0	0
35.00	Other	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.00)	\$0		\$0	\$0
37.00	TOTAL ALLOWABLE EXPENSES	\$0		\$0	\$0
38.00	NONREIMBURSABLE EXPENSES	\$0		\$0	\$0
	<b>TOTAL EXPENSES</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>

## TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICES

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

LINE NO.	COST CENTER DESCRIPTION	REPORTED FUNCTIONAL COSTS (SCH. B, COL 7)	ADJ. NO.	ADJUSTMENT AMOUNTS	AMENDED FUNCTIONAL COSTS
<b>CAPITAL-RELATED COSTS - OLD</b>					
1.00	Old Capital Related - Buildings and Fixtures	\$0		\$0	\$0
2.00	Old Capital Related - Movable Equipment	0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.00)	\$0		\$0	\$0
<b>CAPITAL-RELATED COSTS - NEW</b>					
4.00	New Capital Related - Buildings and Fixtures	\$0		\$0	\$0
5.00	New Capital Related - Movable Equipment	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.00)	\$0		\$0	\$0
<b>OTHER CAPITAL- RELATED COSTS</b>					
7.00	Insurance Premiums	\$0		\$0	\$0
8.00	Taxes and Licenses - Not INCM	0		0	0
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	\$0		\$0	\$0
<b>NON CAPITAL-RELATED COSTS</b>					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries and Wages of Others	0		0	0
13.00	Payroll Taxes	0		0	0
14.00	Employee Benefits - Payroll Related	0		0	0
15.00	Employee Benefits -Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing and Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel and Entertainment	0		0	0
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs and Maintenance	0		0	0
26.00	Dues and Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium - Non Capital Related	0		0	0
29.00	Taxes and Licenses - Non Capital Related	0		0	0
30.00	Interest Expense	0		0	0
31.00	Miscellaneous	0		0	0
32.00	Postage	0		0	0
33.00	Seminars / Training	0		0	0
34.00	Service Development / Bad Debt	0		0	0
35.00	Other	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.00)	\$0		\$0	\$0
37.00	TOTAL ALLOWABLE EXPENSES	\$0		\$0	\$0
38.00	NONREIMBURSABLE EXPENSES	\$0		\$0	\$0
	<b>TOTAL EXPENSES</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>

## REPORTED HOME OFFICE COSTS

HOME OFFICE NAME:  
FORESIGHT MANAGEMENT SERVICESFISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT ALLOCATION		FUNCTIONAL ALLOCATION		POOLED ALLOCATION		TOTAL ALLOCATION HOME OFFICE COSTS
		FROM	TO	CAPITAL RELATED COSTS (SCH. E)	NON-CAPITAL RELATED COSTS (SCH. E-1)	CAPITAL RELATED COSTS (SCH. F)	NON-CAPITAL RELATED COSTS (SCH. F-1)	CAPITAL RELATED COSTS (SCH. G)	NON-CAPITAL RELATED COSTS (SCH. G)	
<b>HEALTH CARE FACILITIES</b>										
1.	McClure Convalescent Hospital	ZZR55067G	01/01/10	12/31/10				\$14,457	\$256,498	\$270,955
2.	Northgate Care Center	ZZR18405G	01/01/10	12/31/10				9,510	168,721	178,231
3.	San Bruno Skilled Nursing Hospital	ZZR18193G	01/01/10	12/31/10				9,336	165,639	174,975
4.	Valley Pointe Nursing and Rehabilitation Center	ZZR55082H	01/01/10	12/31/10				10,553	187,209	197,762
5.	Woodland Nursing Inn	LTC06469G	01/01/10	03/19/10				868	15,404	16,272
6.	All Saints Subacute and Rehabilitation Center	LTC55809F	01/01/10	12/31/10				31,049	550,846	581,895
7.	Brookside Skilled Nursing Hospital	ZZR05188G	01/01/10	12/31/10				17,772	315,298	333,070
8.	Reutlinger Community For Jewish Living	ZZR05534F	01/01/10	12/31/10				29,104	516,342	545,446
9.	St. John Kronstadt Convalescent Center	ZZR55016G	01/01/10	12/31/10				9,238	163,890	173,128
10.	GS Calistoga Inc.	ZZR05224I	01/01/10	07/01/10				3,376	59,900	63,276
11.	Convalescent Center Mission Street	ZZR06449I	01/01/10	12/31/10				11,111	197,130	208,241
12.	Shasta View Nursing Center	ZZR05807H	01/01/10	12/31/10				8,978	159,274	168,252
13.	Vista Del Sol Care Center	ZZT05599I	01/01/10	12/31/10				8,683	154,033	162,716
<b>SUBTOTAL (LINES 1 THROUGH 13)</b>								\$0	\$0	\$0
<b>OTHER COMPONENTS</b>										
14.	Forerehab Therapy Services	N/A	01/01/10	12/31/10						\$0
15.	Professional Healthcare Services	N/A	01/01/10	12/31/10						0
<b>SUBTOTAL (LINES 14 THROUGH 15)</b>								\$0	\$0	\$0
<b>GRAND TOTAL</b>								\$0	\$0	\$0

(To Sch. 2, Col. 1)

Provider Name							Fiscal Period	Provider Number		Adjustments
FORESIGHT MANAGEMENT SERVICES							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	HOME OFFICE		4
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Amended
Cost Report			Audit Report							
Adj. No.	CMS 287-05	Line	Col.	Sch.	Line	Col.				
<b><u>RECLASSIFICATION OF REPORTED POOL COSTS</u></b>										
1	B	4	5	8	4	2	New Capital Related Costs - Buildings and Fixtures	\$154,558	(\$19,608)	\$134,950
	B	7	5	8	7	2	Insurance Premiums	0	13,235	13,235
	B	8	5	8	8	2	Taxes and Licenses - Other	0	6,373	6,373
							To reclassify capital related insurance premiums and taxes to its own line for proper cost determination.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300 and 2304			

Provider Name							Fiscal Period	Provider Number		Adjustments
FORESIGHT MANAGEMENT SERVICES							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	HOME OFFICE		4
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Amended
Cost Report			Audit Report							
Adj. No.	CMS 287-05	Line	Col.	Sch.	Line	Col.				
<b><u>ADJUSTMENTS TO REPORTED POOLED COSTS</u></b>										
2	B	33	5	8	33	2	Seminars / Training To eliminate logo design expense not related to patient care for proper cost determination. 42 CFR 413.9(c)(3), 413.20, and 413.24 CMS Pub. 15-1, Sections 2102.3, 2136.2 and 2304	\$55,415	(\$2,000)	\$53,415
3	B	31	5	8	31	2	Miscellaneous To eliminate costs not related to Foresight Management Services' chain components. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	\$258,455	(\$101,082)	\$157,373

Provider Name							Fiscal Period	Provider Number		Adjustments
FORESIGHT MANAGEMENT SERVICES							JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	HOME OFFICE		4
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Amended
Cost Report			Audit Report							
Adj. No.	CMS 287-05	Line	Col.	Sch.	Line	Col.				
<b><u>ADJUSTMENT TO REPORTED STATISTICS</u></b>										
4	G	1	1	4	1	1	McClure Convalescent Hospital (Total Cost)	6,263,703	(241,767)	6,021,936
	G	2	1	4	2	1	Northgate Care Center	4,120,172	(48,531)	4,071,641
	G	3	1	4	3	1	San Bruno Skilled Nursing	4,044,934	(50,865)	3,994,069
	G	4	1	4	4	1	Valley Pointe Nursing and Rehabilitation	4,571,685	(51,133)	4,520,552
	G	5	1	4	5	1	Woodland Nursing Inc.	376,154	6,478	382,632
	G	6	1	4	6	1	All Saints Subacute and Rehabilitation	13,451,747	(396,431)	13,055,316
	G	7	1	4	7	1	Brookside Skilled Nursing	7,699,663	(246,475)	7,453,188
	G	8	1	4	8	1	Reutinger Community for Jewish Living	12,609,221	(2,401,813)	10,207,408
	G	9	1	4	9	1	St John Kronstadt Convalescent Hospital	4,002,264	(169,381)	3,832,883
	G	10	1	4	10	1	GS Calistoga, Inc.	1,462,808	0	1,462,808
	G	11	1	4	11	1	Convalescent Center Mission Street	4,813,934	(95,453)	4,718,481
	G	12	1	4	12	1	Shasta View Nursing Center	3,889,543	(30,735)	3,858,808
	G	13	1	4	13	1	Vista Del Sol Care Center	3,761,560	(264,431)	3,497,129
	G	21	1	4	21	1	Forerehab Therapy Services	0	61,795	61,795
	G	22	1	4	21	1	Professional Healthcare Services	0	419,164	419,164
	G	34	1	4	N/A	1	Grand Total - Total Cost	71,067,388	(3,509,578)	67,557,810
							To adjust the total costs statistics for proper allocation of pooled costs and cost determination. 42 CFR 413.20, 413.24, and 413.50 CMS Pub. 15-1, Sections 2300, 2304, and 2306			