

**REPORT  
ON THE  
HOME OFFICE AUDIT**

**SUNBRIDGE HEALTHCARE CORPORATION  
WESTERN DIVISION  
ALBUQUERQUE, NEW MEXICO**

**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: Matthew Moy  
Auditor: Mandy Wu**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

April 13, 2012

Kirk Pagett  
Senior Reimbursement Manager  
Reimbursement Department  
Sun Healthcare Group, Inc.  
101 Sun Avenue, NE  
Albuquerque, NM 87109

SUNBRIDGE HEALTHCARE CORPORATION – WESTERN DIVISION  
FISCAL PERIOD ENDED DECEMBER 31, 2010

We have examined the Medi-Cal Home Office cost report for the fiscal period ended December 31, 2010. 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 Audited 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 Audited Home Office Costs to Health Care Facilities

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.

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

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	PROVIDER NPI:	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		CAPITAL RELATED (SCHEDULE 3) 1	NONCAPITAL RELATED (SCHEDULE 3-1) 2	TOTAL AUDITED H.O. COSTS (COLUMN 1 + 2) 3	
		FROM	TO				
<b><u>HEALTH CARE FACILITIES</u></b>							
1.	Sunbridge Heritage Care Center	1487601704	01/01/10	12/31/10	\$18,454	\$356,337	\$374,791
2.	Sunbridge Care Center for Kingsburg	1700833977	01/01/10	12/31/10	15,979	308,540	324,519
3.	Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	01/01/10	12/31/10	20,728	400,239	420,967
4.	Sunbridge Care and Rehabilitation for Tustin	1730136482	01/01/10	12/31/10	22,409	432,695	455,104
5.	Sunbridge Care and Rehabilitation for San Leandro	1306893904	01/01/10	12/31/10	22,126	427,238	449,364
6.	Sunbridge Care and Rehabilitation for Paradise	1306893995	01/01/10	12/31/10	20,914	403,821	424,736
7.	Sunbridge Care and Rehabilitation for Carmichael	1538116116	01/01/10	12/31/10	27,093	523,122	550,214
8.	Sunbridge Brittany Center	1639126287	01/01/10	12/31/10	22,259	429,785	452,044
9.	Sunbridge Care Center for Willows	1588611297	01/01/10	12/31/10	16,577	320,081	336,658
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>					<b>\$186,539</b>	<b>\$3,601,858</b>	<b>\$3,788,397</b>
<b><u>OTHER COMPONENTS</u></b>							
21.	Other Health Care Facilities	Various	01/01/10	12/31/10	\$1,058,630	\$20,440,896	\$21,499,526
<b>SUBTOTAL (LINE 21)</b>					<b>\$1,058,630</b>	<b>\$20,440,896</b>	<b>\$21,499,526</b>
<b>GRAND TOTAL</b>					<b>\$1,245,169</b>	<b>\$24,042,754</b>	<b>\$25,287,923</b>

## COMPARISON OF REPORTED AND AUDITED HOME OFFICE COSTS

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	PROVIDER NPI:	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		REPORTED HOME OFFICE COSTS (SCH. 9)	AUDITED H.O. COSTS (SCH. 3 & 3-1)	VARIANCE (COLUMN 2-1)	
		FROM	TO	1	2	3	
<b><u>HEALTH CARE FACILITIES</u></b>							
1.	Sunbridge Heritage Care Center	1487601704	01/01/10	12/31/10	\$374,791	\$374,791	\$0
2.	Sunbridge Care Center for Kingsburg	1700833977	01/01/10	12/31/10	324,519	324,519	(0)
3.	Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	01/01/10	12/31/10	420,967	420,967	(0)
4.	Sunbridge Care and Rehabilitation for Tustin	1730136482	01/01/10	12/31/10	455,104	455,104	(0)
5.	Sunbridge Care and Rehabilitation for San Leandro	1306893904	01/01/10	12/31/10	449,364	449,364	(0)
6.	Sunbridge Care and Rehabilitation for Paradise	1306893995	01/01/10	12/31/10	424,736	424,736	(0)
7.	Sunbridge Care and Rehabilitation for Carmichael	1538116116	01/01/10	12/31/10	550,214	550,214	0
8.	Sunbridge Brittany Center	1639126287	01/01/10	12/31/10	452,044	452,044	0
9.	Sunbridge Care Center for Willows	1588611297	01/01/10	12/31/10	336,658	336,658	0
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>					<u>\$3,788,397</u>	<u>\$3,788,397</u>	<u>\$0</u>
<b><u>OTHER COMPONENTS</u></b>							
21.	Other Health Care Facilities	Various	01/01/10	12/31/10	\$21,499,526	\$21,499,526	\$0
<b>SUBTOTAL (LINE 21)</b>					<u>\$21,499,526</u>	<u>\$21,499,526</u>	<u>\$0</u>
<b>GRAND TOTAL</b>					<u>\$25,287,923</u>	<u>\$25,287,923</u>	<u>\$0</u>

## SUMMARY ALLOCATION OF HOME OFFICE COSTS - CAPITAL RELATED

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	PROVIDER NPI:	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.	Sunbridge Heritage Care Center	1487601704	01/01/10	12/31/10	\$0	\$0	\$18,454	\$18,454
2.	Sunbridge Care Center for Kingsburg	1700833977	01/01/10	12/31/10	0	0	15,979	15,979
3.	Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	01/01/10	12/31/10	0	0	20,728	20,728
4.	Sunbridge Care and Rehabilitation for Tustin	1730136482	01/01/10	12/31/10	0	0	22,409	22,409
5.	Sunbridge Care and Rehabilitation for San Leandro	1306893904	01/01/10	12/31/10	0	0	22,126	22,126
6.	Sunbridge Care and Rehabilitation for Paradise	1306893995	01/01/10	12/31/10	0	0	20,914	20,914
7.	Sunbridge Care and Rehabilitation for Carmichael	1538116116	01/01/10	12/31/10	0	0	27,093	27,093
8.	Sunbridge Brittany Center	1639126287	01/01/10	12/31/10	0	0	22,259	22,259
9.	Sunbridge Care Center for Willows	1588611297	01/01/10	12/31/10	0	0	16,577	16,577
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>					<b>\$0</b>	<b>\$0</b>	<b>\$186,539</b>	<b>\$186,539</b>
<b><u>OTHER COMPONENTS</u></b>								
21.	Other Health Care Facilities	Various	01/01/10	12/31/10	\$0	\$0	\$1,058,630	\$1,058,630
<b>SUBTOTAL (LINE 21)</b>					<b>\$0</b>	<b>\$0</b>	<b>\$1,058,630</b>	<b>\$1,058,630</b>
<b>GRAND TOTAL</b>					<b>\$0</b>	<b>\$0</b>	<b>\$1,245,169</b>	<b>\$1,245,169</b>

(To Schedule 1 &amp; 2)

SUMMARY ALLOCATION OF HOME OFFICE COSTS - NONCAPITAL RELATED

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	PROVIDER NPI:	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT COSTS  1	FUNCTIONAL COSTS (SCH. 5-1)  2	POOLED COSTS (SCH. 4)  3	TOTAL NONCAPITAL COSTS (COL. 1 TO 3)	
		FROM	TO					
<b><u>HEALTH CARE FACILITIES</u></b>								
1.	Sunbridge Heritage Care Center	1487601704	01/01/10	12/31/10	\$0	\$47,462	\$308,875	\$356,337
2.	Sunbridge Care Center for Kingsburg	1700833977	01/01/10	12/31/10	0	41,096	267,444	308,540
3.	Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	01/01/10	12/31/10	0	53,310	346,929	400,239
4.	Sunbridge Care and Rehabilitation for Tustin	1730136482	01/01/10	12/31/10	0	57,631	375,064	432,695
5.	Sunbridge Care and Rehabilitation for San Leandro	1306893904	01/01/10	12/31/10	0	56,905	370,333	427,238
6.	Sunbridge Care and Rehabilitation for Paradise	1306893995	01/01/10	12/31/10	0	53,786	350,035	403,821
7.	Sunbridge Care and Rehabilitation for Carmichael	1538116116	01/01/10	12/31/10	0	69,677	453,445	523,122
8.	Sunbridge Brittany Center	1639126287	01/01/10	12/31/10	0	57,243	372,542	429,785
9.	Sunbridge Care Center for Willows	1588611297	01/01/10	12/31/10	0	42,633	277,448	320,081
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>					<b>\$0</b>	<b>\$479,743</b>	<b>\$3,122,115</b>	<b>\$3,601,858</b>
<b><u>OTHER COMPONENTS</u></b>								
21.	Other Health Care Facilities	Various	01/01/10	12/31/10	\$0	\$2,722,650	\$17,718,246	\$20,440,896
<b>SUBTOTAL (LINE 21)</b>					<b>\$0</b>	<b>\$2,722,650</b>	<b>\$17,718,246</b>	<b>\$20,440,896</b>
<b>GRAND TOTAL</b>					<b>\$0</b>	<b>\$3,202,393</b>	<b>\$20,840,361</b>	<b>\$24,042,754</b>

(To Schedule 1 & 2)

## POOLED ALLOCATION OF HOME OFFICE COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	PROVIDER NPI:	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>						
1.	Sunbridge Heritage Care Center	1487601704	\$6,375,919	\$18,454	\$308,875	\$327,329
2.	Sunbridge Care Center for Kingsburg	1700833977	5,520,683	15,979	267,444	283,423
3.	Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	7,161,386	20,728	346,929	367,657
4.	Sunbridge Care and Rehabilitation for Tustin	1730136482	7,741,890	22,409	375,064	397,473
5.	Sunbridge Care and Rehabilitation for San Leandro	1306893904	7,644,438	22,126	370,333	392,459
6.	Sunbridge Care and Rehabilitation for Paradise	1306893995	7,225,563	20,914	350,035	370,950
7.	Sunbridge Care and Rehabilitation for Carmichael	1538116116	9,360,032	27,093	453,445	480,537
8.	Sunbridge Brittany Center	1639126287	7,689,918	22,259	372,542	394,801
9.	Sunbridge Care Center for Willows	1588611297	5,727,231	16,577	277,448	294,025
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>			<b>\$64,447,060</b>	<b>\$186,539</b>	<b>\$3,122,115</b>	<b>\$3,308,654</b>
<b><u>OTHER COMPONENTS</u></b>						
21.	Other Health Care Facilities	Various	\$365,737,951	\$1,058,630	\$17,718,246	\$18,776,876
<b>SUBTOTAL (LINE 21)</b>			<b>\$365,737,951</b>	<b>\$1,058,630</b>	<b>\$17,718,246</b>	<b>\$18,776,876</b>
<b>GRAND TOTAL</b>			<b>\$430,185,011</b>	<b>\$1,245,169</b>	<b>\$20,840,361</b>	<b>\$22,085,530</b>
(To Schedule 3)(To Schedule 3-1)						
MULTIPLIER				0.002894	0.048445	

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS - NONCAPITAL RELATED

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

		PROVIDER NPI:	Nursing	Dietary				AUDITED TOTAL NONCAPITAL
<u>HEALTH CARE FACILITIES</u>			35	35.01				
1.	Sunbridge Heritage Care Center	1487601704	\$46,646	\$816	\$0	\$0	\$0	\$47,462
2.	Sunbridge Care Center for Kingsburg	1700833977	40,389	707	0	0	0	41,096
3.	Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	52,393	917	0	0	0	53,310
4.	Sunbridge Care and Rehabilitation for Tustin	1730136482	56,640	991	0	0	0	57,631
5.	Sunbridge Care and Rehabilitation for San Leandro	1306893904	55,927	978	0	0	0	56,905
6.	Sunbridge Care and Rehabilitation for Paradise	1306893995	52,862	925	0	0	0	53,786
7.	Sunbridge Care and Rehabilitation for Carmichael	1538116116	68,478	1,198	0	0	0	69,677
8.	Sunbridge Brittany Center	1639126287	56,259	984	0	0	0	57,243
9.	Sunbridge Care Center for Willows	1588611297	41,900	733	0	0	0	42,633
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>			<b>\$471,494</b>	<b>\$8,249</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$479,743</b>
<u>OTHER COMPONENTS</u>								
21.	Other Health Care Facilities	Various	\$2,675,835	\$46,815	\$0	\$0	\$0	\$2,722,650
<b>SUBTOTAL (LINE 21)</b>			<b>\$2,675,835</b>	<b>\$46,815</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,722,650</b>
<b>GRAND TOTAL</b>			<b>\$3,147,329</b>	<b>\$55,064</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,202,393</b>

(To Schedule 3-1)

**FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN  
COMPONENTS STATISTICS - NONCAPITAL RELATED**

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

	PROVIDER NPI:	Nursing (Accum Cost) 35.00	Dietary (Accum Cost) 35.01			
<b><u>HEALTH CARE FACILITIES</u></b>						
1.	Sunbridge Heritage Care Center 1487601704	6,375,919	6,375,919	0	0	0
2.	Sunbridge Care Center for Kingsburg 1700833977	5,520,683	5,520,683	0	0	0
3.	Sunbridge Care and Rehabilitation for Playa Del Rey 1255387395	7,161,386	7,161,386	0	0	0
4.	Sunbridge Care and Rehabilitation for Tustin 1730136482	7,741,890	7,741,890	0	0	0
5.	Sunbridge Care and Rehabilitation for San Leandro 1306893904	7,644,438	7,644,438	0	0	0
6.	Sunbridge Care and Rehabilitation for Paradise 1306893995	7,225,563	7,225,563	0	0	0
7.	Sunbridge Care and Rehabilitation for Carmichael 1538116116	9,360,032	9,360,032	0	0	0
8.	Sunbridge Brittany Center 1639126287	7,689,918	7,689,918	0	0	0
9.	Sunbridge Care Center for Willows 1588611297	5,727,231	5,727,231	0	0	0
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>		<b>64,447,060</b>	<b>64,447,060</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>OTHER COMPONENTS</u></b>						
21.	Other Health Care Facilities Various	365,737,951	365,737,951	0	0	0
<b>SUBTOTAL (LINE 21)</b>		<b>365,737,951</b>	<b>365,737,951</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>		<b>430,185,011</b>	<b>430,185,011</b>	<b>0</b>	<b>0</b>	<b>0</b>
TOTAL STATISTICS		430,185,011	430,185,011	0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)		\$3,147,329	\$55,064	\$0	\$0	\$0
UNIT COST MULTIPLIER		0.007316	0.000128	0.000000	0.000000	0.000000

## TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVISION

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

LINE NO.	COST CENTER DESCRIPTION	REPORTED POOLED ALLOC. (SCH. B, COL 8)	ADJ. NO.	ADJUSTMENT AMOUNTS	AUDITED 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	\$541,490		\$0	\$541,490
5.00	New Capital Related - Movable Equipment	703,679		0	703,679
6.00	SUBTOTAL (sum of lines 4 through 5.00)	\$1,245,169		\$0	\$1,245,169
<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	3,245,208		0	3,245,208
13.00	Payroll Taxes	283,503		0	283,503
14.00	Employee Benefits - Payroll Related	20,937		0	20,937
15.00	Employee Benefits - Nonpayroll Related	594,685		0	594,685
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	2,992		0	2,992
20.00	Communications	200,746		0	200,746
21.00	Travel and Entertainment	802,519		0	802,519
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	15,541,035		0	15,541,035
24.00	Minor Equipment Expensed	6,315		0	6,315
25.00	Repairs and Maintenance	7,027		0	7,027
26.00	Dues and Subscriptions	5,942		0	5,942
27.00	Contributions	0		0	0
28.00	Insurance Premium - Non Capital Related	0		0	0
29.00	Taxes and Licenses - Non Capital Related	4,996		0	4,996
30.00	Interest Expense	0		0	0
31.00	Temporary Labor	0		0	0
32.00	Consultant Fees, Bank Charges	40,582		0	40,582
33.00	Meeting and Conference	50,979		0	50,979
33.01	Compliance - Background Checks	804		0	804
33.02	Education and Training	4,461		0	4,461
33.03	Personnal Recruiting Fees / Help Wanted	27,630		0	27,630
34.00	Collections / Public Relations	0		0	0
34.01	Marketing	0		0	0
35.00	Nursing	0		0	0
35.01	Dietary	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.01)	\$20,840,361		\$0	\$20,840,361
37.00	TOTAL ALLOWABLE EXPENSES	\$22,085,530		\$0	\$22,085,530
(To Sch. 4)					
38.00	NONREIMBURSABLE EXPENSES	\$0		\$0	\$0
<b>TOTAL EXPENSES</b>		<b>\$22,085,530</b>		<b>\$0</b>	<b>\$22,085,530</b>

## TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTER

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

LINE NO.	COST CENTER DESCRIPTION	REPORTED DIRECT ALLOC. (SCH. B, COL 6)	ADJ. NO.	ADJUSTMENT AMOUNTS	AUDITED 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	Temporary Labor	0		0	0
32.00	Consultant Fees, Bank Charges	0		0	0
33.00	Meeting and Conference	0		0	0
33.01	Compliance - Background Checks	0		0	0
33.02	Education and Training	0		0	0
33.03	Personnal Recruiting Fees / Help Wanted	0		0	0
34.00	Collections / Public Relations	0		0	0
34.01	Marketing	0		0	0
35.00	Nursing	0		0	0
35.01	Dietary	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.01)	\$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:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTER

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

LINE NO.	COST CENTER DESCRIPTION	REPORTED FUNCTIONAL COSTS (SCH. B, COL 7)	ADJ. NO.	ADJUSTMENT AMOUNTS	AUDITED 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	Temporary Labor	0		0	0
32.00	Consultant Fees, Bank Charges	0		0	0
33.00	Meeting and Conference	0		0	0
33.01	Compliance - Background Checks	0		0	0
33.02	Education and Training	0		0	0
33.03	Personnal Recruiting Fees / Help Wanted	0		0	0
34.00	Collections / Public Relations	0		0	0
34.01	Marketing	0		0	0
35.00	Nursing	3,147,329		0	3,147,329
35.01	Dietary	55,064		0	55,064
36.00	SUBTOTAL (sum of lines 11 through 35.01)	\$3,202,393		\$0	\$3,202,393
37.00	TOTAL ALLOWABLE EXPENSES	\$3,202,393		\$0	\$3,202,393
(To Sch. 6-1)					
38.00	NONREIMBURSABLE EXPENSES	\$0		\$0	\$0
<b>TOTAL EXPENSES</b>		<b>\$3,202,393</b>		<b>\$0</b>	<b>\$3,202,393</b>

## REPORTED HOME OFFICE COSTS

HOME OFFICE NAME:  
SUNBRIDGE HEALTHCARE CORPORATION - WESTERN DIVI

FISCAL PERIOD ENDED:  
DECEMBER 31, 2010

HEALTH CARE FACILITIES	PROVIDER NPI:	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)				
1. Sunbridge Heritage Care Center	1487601704	01/01/10	12/31/10				\$47,462	\$18,454	\$308,875	\$374,791			
2. Sunbridge Care Center for Kingsburg	1700833977	01/01/10	12/31/10				41,096	15,979	267,444	324,519			
3. Sunbridge Care and Rehabilitation for Playa Del Rey	1255387395	01/01/10	12/31/10				53,310	20,728	346,929	420,967			
4. Sunbridge Care and Rehabilitation for Tustin	1730136482	01/01/10	12/31/10				57,631	22,409	375,064	455,104			
5. Sunbridge Care and Rehabilitation for San Leandro	1306893904	01/01/10	12/31/10				56,905	22,126	370,333	449,364			
6. Sunbridge Care and Rehabilitation for Paradise	1306893995	01/01/10	12/31/10				53,787	20,914	350,035	424,736			
7. Sunbridge Care and Rehabilitation for Carmichael	1538116116	01/01/10	12/31/10				69,676	27,093	453,445	550,214			
8. Sunbridge Brittany Center	1639126287	01/01/10	12/31/10				57,243	22,259	372,542	452,044			
9. Sunbridge Care Center for Willows	1588611297	01/01/10	12/31/10				42,633	16,577	277,448	336,658			
<b>SUBTOTAL (LINES 1 THROUGH 9)</b>							\$0	\$0	\$0	\$479,743	\$186,539	\$3,122,115	\$3,788,397
<b>OTHER COMPONENTS</b>													
21. Other Health Care Facilities	Various	01/01/10	12/31/10				\$2,722,650	\$1,058,630	\$17,718,246	\$21,499,526			
<b>SUBTOTAL (LINE 21)</b>							\$0	\$0	\$0	\$2,722,650	\$1,058,630	\$17,718,246	\$21,499,526
<b>GRAND TOTAL</b>							\$0	\$0	\$0	\$3,202,393	\$1,245,169	\$20,840,361	\$25,287,923

(To Sch. 2, Col. 1)