REPORT
ON THE
RATE SETTING AUDIT

PACIFIC GARDENS NURSING AND REHABILITATION CENTER
FRESNO, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1528100013

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: Margaret A. Varho
Auditor: Paula Greene

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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

Date: July 25, 2012

Carol Sparks
Director of Reimbursement
Covenant Care California
27071 Aliso Creek Road, Suite 100
Aliso Viejo, CA 92656

PACIFIC GARDENS NURSING AND REHABILITATION CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1528100013
FISCAL PERIOD ENDED DECEMBER 31, 2010

We have examined the facility's Integrated Disclosure and 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 accompanying Summary of Audited Facility Cost per Patient Day represents a proper determination of the allowable costs and patient days for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Audited Facility Cost per Patient Day and supporting schedules

2. Audit adjustments that include a summary of the total due the State in the amount of $5,322, which resulted from Medi-Cal overpayments

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

605 West Santa Ana Blvd., Building 28, Room 830, Santa Ana, CA 92701
(714) 558-4434 / (714) 558-4179 fax
Internet Address: www.dhcs.ca.gov

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Fee-For-Service Rate 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.

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

(***Original signed by Henry Igboke***) *for*

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

Certified

STATE OF CALIFORNIA

SCHEDULE 1

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility No.:
206100772

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
	SKILLED NURSING CARE			
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	$ N/A	$ 5,064,484	$ 81.74
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	$ N/A	$ 1,264,577	$ 20.41
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	$ N/A	$ 962,381	$ 15.53
4	Cost of Capital Related (Sch. 5, Ln. 105)	$ N/A	$ 1,099,452	$ 17.74
5	Property Taxes (Sch. 5, Ln. 105)	$ N/A	$ 52,315	$ 0.84
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	$ N/A	$ 39,541	$ 0.64
7	Professional Liability Insurance (Sch. 6, Ln. 105)	$ N/A	$ 210,915	$ 3.40
8	Caregiver Training (Sch. 6, Ln. 105)	$ N/A	$ 0	$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	$ N/A	$ 570,827	$ 9.21
10	Cost of Administration (Sch. 6, Ln. 105)	$ N/A	$ 1,142,447	$ 18.44
11	Cost of Routine Service/Audited Total Costs	$ 10,415,351	$ 10,406,940	$ 167.96
12	Total Patient Days (Adj)	61,960	61,960	
13	Cost Per Patient Day (Cost Divided by Days)	$ 168.10	$ 167.96	
14	Overpayments (Adj 9)	$ 0	$ (5,322)	
15	Medi-Cal Days (Adj 7)	41,499	41,137	
16	Medi-Cal Managed Care Days (Adj 8)		362	
	INTERMEDIATE CARE			
17	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$	$ 0	
18	Total Patient Days (Adj)		0	
19	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
20	Overpayments (Adj)	$	$ 0	
	MENTALLY DISORDERED CARE			
21	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$	$ 0	
22	Total Patient Days (Adj)		0	
23	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
24	Overpayments (Adj)	$	$ 0	
	DEVELOPMENTALLY DISABLED CARE			
25	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$	$ 0	
26	Total Patient Days (Adj)		0	
27	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
28	Overpayments (Adj)	$	$ 0	
	SUBACUTE CARE			
29	Cost of Direct Care - Labor (Subacute Care Sch. 1, Ln. 25)	$ N/A	$ 0	$ 0.00
30	Cost of Indirect Care - Labor (Subacute Care Sch. 1, Ln. 26)	$ N/A	$ 0	$ 0.00
31	Cost of Direct and Indirect Nonlabor - Other (Subacute Care Sch. 1, Ln. 27)	$ N/A	$ 0	$ 0.00
32	Cost of Capital Related (Subacute Care Sch. 1, Ln. 28)	$ N/A	$ 0	$ 0.00
33	Property Taxes (Subacute Care Sch. 1, Ln. 29)	$ N/A	$ 0	$ 0.00
34	CDPH Licensing Fees (Subacute Care Sch. 1, Ln. 30)	$ N/A	$ 0	$ 0.00
35	Professional Liability Insurance (Subacute Care Sch. 1, Ln. 31)	$ N/A	$ 0	$ 0.00
36	Quality Assurance Fees (Subacute Care Sch. 1, Ln. 32)	$ N/A	$ 0	$ 0.00
37	Caregiver Training (Subacute Care Sch. 1, Ln. 33)	$ N/A	$ 0	$ 0.00
38	Cost of Administration (Subacute Care Sch.1, Ln. 34)	$ N/A	$ 0	$ 0.00
39	Total Cost of Subacute Service (Subacute Care Sch. 1, Ln. 35)	$ 0	$ 0	$ 0.00
40	Total Patient Days (Subacute Care Sch. 1, Ln. 36)	0	0	
41	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
42	Amount Due Provider (State) (Subacute Care Sch. 1, Ln. 40)	$ 0	$ 0	

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility No.:
206100772

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
	SUBACUTE CARE - PEDIATRIC			
43	Cost of Routine Service (Subacute Care - Pediatric, Sch. 1, Ln 3)	$ 0	$ 0	
44	Cost of Ancillary Service (Subacute Care - Pediatric, Sch. 1, Ln. 1 + Ln. 2)	$ 0	$ 0	
45	Total Cost of Subacute Care - Pediatric Service (Ln. 42 + Ln. 43)	$ 0	$ 0	
46	Total Patient Days (Subacute Care - Pediatric, Sch. 1, Ln. 5)	0	0	
47	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
48	Amount Due Provider (State) (Subacute Care - Pediatric, Sch. 1, Ln. 9)	$ 0	$ 0	
	TRANSITIONAL INPATIENT CARE			
49	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$	$ 0	
50	Total Patient Days (Adj)		0	
51	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
52	Overpayments (Adj)	$	$ 0	
	HOSPICE INPATIENT CARE			
53	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$	$ 0	
54	Total Patient Days (Adj)		0	
55	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
56	Overpayments (Adj)	$	$ 0	
	OTHER ROUTINE SERVICES			
57	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$	$ 0	
58	Total Patient Days (Adj)		0	
59	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
60	Overpayments (Adj)	$	$ 0	

ALLOCATION OF GENERAL SERVICES
DIRECT CARE LABOR

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility No.:
206100772

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs 155	Activities 160	Total	
	GENERAL SERVICES					
005	Plant Operations and Maintenance					
010	Housekeeping					
060	Laundry and Linen					
065	Dietary					
155	Social Services	$ 245,045	$ 245,045			
160	Activities	138,385		$ 138,385		
165	Administration					
166	Medical Records					
170	Inservice Education - Nursing					
	ANCILLARY SERVICES					
075	Patient Supplies	0	0	0	0	
077	Specialized Support Surfaces	N/A	0	0	0	
080	Physical Therapy	0	0	0	0	
081	Respiratory Therapy	0	0	0	0	
082	Occupational Therapy	0	0	0	0	
083	Speech Pathology	0	0	0	0	
085	Pharmacy	0	0	0	0	
090	Laboratory	0	0	0	0	
095	Home Health Services	0	0	0	0	
100	Other Ancillary Services	0	0	0	0	
101	Subacute Care Ancillary Services	0	0	0	0	
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	
	ROUTINE SERVICES					
105	Skilled Nursing Care	4,681,054	245,045	138,385	5,064,484	*
110	Intermediate Care	0	0	0	0	*
115	Mentally Disordered Care	0	0	0	0	*
120	Developmentally Disabled Care	0	0	0	0	*
125	Subacute Care	0	0	0	0	*
126	Subacute Care - Pediatric	0	0	0	0	*
128	Transitional Inpatient Care	0	0	0	0	*
130	Hospice Inpatient Care	0	0	0	0	*
135	Other Routine Services	0	0	0	0	*
	NONREIMBURSABLE					
139	Residential Care	0	0	0	0	
140	Beauty and Barber	0	0	0	0	
145	Other Nonreimbursable	0	0	0	0	
	TOTAL	$ 5,064,484	$ 245,045	$ 138,385	$ 5,064,484	

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER
Provider NPI: 1528100013
OSHPD Facility Number: 206100772
Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 005	Hskpng 010	Laundry 060	Dietary 065	Soc Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	
	GENERAL SERVICES													
005	Plant Operations and Maintenance	$ 84,384	$ 84,384											
010	Housekeeping	286,189	3,420	$ 289,609										
060	Laundry and Linen	111,392	488	1,745	$ 113,624									
065	Dietary	542,579	6,964	24,910	0	$ 574,453								
155	Social Services	N/A	758	2,713	0	0	$ 3,471							
160	Activities	N/A	3,259	11,658	0	0	0	$ 14,917						
165	Administration	N/A	6,555	23,447	0	0	0	0		$ 30,003	$ 30,003			
166	Medical Records	124,581	550	1,967	0	0	0	0		127,097		$ 127,097		
170	Inservice Education - Nursing	189,395	434	1,553	0	0	0	0	$ 191,382					
	ANCILLARY SERVICES													
075	Patient Supplies		744	2,662	0	0	0	0	0	3,407	474	2,006	$ 5,886	
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0	
080	Physical Therapy		3,146	11,255	0	0	0	0	0	14,401	2,320	9,826	26,547	
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0	
082	Occupational Therapy		1,827	6,535	0	0	0	0	0	8,362	1,773	7,513	17,648	
083	Speech Pathology		1,046	3,742	0	0	0	0	0	4,787	565	2,392	7,744	
085	Pharmacy		502	1,795	0	0	0	0	0	2,297	1,491	6,317	10,105	
090	Laboratory		0	0	0	0	0	0	0	0	177	751	928	
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0	
100	Other Ancillary Services		361	1,291	0	0	0	0	0	1,652	197	834	2,682	
101	Subacute Care Ancillary Services		0	0	0	0	0	0	0	0	0	0	0	
102	Subacute Care - Pediatric Ancillary Services		0	0	0	0	0	0	0	0	0	0	0	
	ROUTINE SERVICES													
105	Skilled Nursing Care		53,853	192,632	113,624	574,453	3,471	14,917	191,382	1,144,333	22,964	97,280	1,264,577	*
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0	*
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0	*
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0	*
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0	*
126	Subacute Care - Pediatric		0	0	0	0	0	0	0	0	0	0	0	*
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0	*
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0	*
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0	*
	NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0	
140	Beauty and Barber		476	1,704	0	0	0	0	0	2,181	42	179	2,402	
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0	
	TOTAL	$ 1,338,520	$ 84,384	$ 289,609	$ 113,624	$ 574,453	$ 3,471	$ 14,917	$ 191,382	$ 1,181,420	$ 30,003	$ 127,097	$ 1,338,520	

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER
Provider NPI: 1528100013
OSHPD Facility Number: 206100772
Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	
	GENERAL SERVICES													
005	Plant Operations and Maintenance	$ 253,278	$ 253,278											
010	Housekeeping	74,902	10,265	$ 85,167										
060	Laundry and Linen	26,056	1,464	513	$ 28,033									
065	Dietary	360,759	20,902	7,325	0	$ 388,986								
155	Social Services	16,136	2,276	798	0	0	$ 19,210							
160	Activities	12,157	9,782	3,428	0	0	0	$ 25,368						
165	Administration	N/A	19,675	6,895	0	0	0	0		$ 26,570	$ 26,570			
166	Medical Records	22,460	1,650	578	0	0	0	0		24,688		$ 24,688		
170	Inservice Education - Nursing	0	1,303	457	0	0	0	0	$ 1,760					
	ANCILLARY SERVICES													
075	Patient Supplies	150,546	2,234	783	0	0	0	0	0	153,563	419	390	$ 154,372	
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0	
080	Physical Therapy	749,776	9,444	3,310	0	0	0	0	0	762,530	2,054	1,909	766,493	
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	
082	Occupational Therapy	587,611	5,484	1,922	0	0	0	0	0	595,016	1,571	1,459	598,046	
083	Speech Pathology	175,552	3,140	1,100	0	0	0	0	0	179,792	500	465	180,756	
085	Pharmacy	519,728	1,506	528	0	0	0	0	0	521,762	1,321	1,227	524,310	
090	Laboratory	63,266	0	0	0	0	0	0	0	63,266	157	146	63,569	
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0	
100	Other Ancillary Services	61,273	1,083	380	0	0	0	0	0	62,736	174	162	63,072	
101	Subacute Care Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0	
102	Subacute Care - Pediatric Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0	
	ROUTINE SERVICES													
105	Skilled Nursing Care	241,503	161,639	56,648	28,033	388,986	19,210	25,368	1,760	923,148	20,337	18,897	962,381	*
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0	*
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0	*
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0	*
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0	*
126	Subacute Care - Pediatric	0	0	0	0	0	0	0	0	0	0	0	0	*
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0	*
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0	*
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0	*
	NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0	
140	Beauty and Barber	3,276	1,430	501	0	0	0	0	0	5,207	37	35	5,280	
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0	
	TOTAL	$ 3,318,279	$ 253,278	$ 85,167	$ 28,033	$ 388,986	$ 19,210	$ 25,368	$ 1,760	$ 3,267,020	$ 26,570	$ 24,688	$ 3,318,279	

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital Various	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	$ 1,250,325	95%							
	Property Tax (line 40)	59,494	5%	$ 1,309,819						
005	Plant Operations and Maintenance			9,989	$ 9,989					
010	Housekeeping			52,679	405	$ 53,084				
060	Laundry and Linen			7,513	58	320	$ 7,891			
065	Dietary			107,270	824	4,566	0	$ 112,660		
155	Social Services			11,682	90	497	0	0	$ 12,269	
160	Activities			50,204	386	2,137	0	0	0	$ 52,727
165	Administration			100,972	776	4,298	0	0	0	0
166	Medical Records			8,469	65	360	0	0	0	0
170	Inservice Education - Nursing			6,688	51	285	0	0	0	0
	ANCILLARY SERVICES									
075	Patient Supplies			11,465	88	488	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			48,467	372	2,063	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			28,142	216	1,198	0	0	0	0
083	Speech Pathology			16,112	124	686	0	0	0	0
085	Pharmacy			7,730	59	329	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			5,559	43	237	0	0	0	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105	Skilled Nursing Care			829,538	6,375	35,309	7,891	112,660	12,269	52,727
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatric			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	NONREIMBURSABLE									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			7,340	56	312	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	$ 1,309,819	100%	$ 1,309,819	$ 9,989	$ 53,084	$ 7,891	$ 112,660	$ 12,269	$ 52,727

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Inserv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 95% Of Total	Property Tax 5% Of Total	
	GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	$ 1,250,325	95%								
	Property Tax (line 40)	59,494	5%								
005	Plant Operations and Maintenance										
010	Housekeeping										
060	Laundry and Linen										
065	Dietary										
155	Social Services										
160	Activities										
165	Administration				$ 106,046	$ 106,046					
166	Medical Records				8,894		$ 8,894				
170	Inservice Education - Nursing			$ 7,024							
	ANCILLARY SERVICES										
075	Patient Supplies			0	12,041	1,674	140	$ 13,856	$ 13,226	$ 629	
077	Specialized Support Surfaces			0	0	0	0	0	0	0	
080	Physical Therapy			0	50,902	8,199	688	59,788	57,073	2,716	
081	Respiratory Therapy			0	0	0	0	0	0	0	
082	Occupational Therapy			0	29,556	6,268	526	36,350	34,699	1,651	
083	Speech Pathology			0	16,922	1,996	167	19,085	18,218	867	
085	Pharmacy			0	8,119	5,270	442	13,831	13,203	628	
090	Laboratory			0	0	627	53	679	648	31	
095	Home Health Services			0	0	0	0	0	0	0	
100	Other Ancillary Services			0	5,838	695	58	6,592	6,293	299	
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	
	ROUTINE SERVICES										
105	Skilled Nursing Care			7,024	1,063,792	81,168	6,808	1,151,767	1,099,452	52,315	*
110	Intermediate Care			0	0	0	0	0	0	0	*
115	Mentally Disordered Care			0	0	0	0	0	0	0	*
120	Developmentally Disabled Care			0	0	0	0	0	0	0	*
125	Subacute Care			0	0	0	0	0	0	0	*
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	*
128	Transitional Inpatient Care			0	0	0	0	0	0	0	*
130	Hospice Inpatient Care			0	0	0	0	0	0	0	*
135	Other Routine Services			0	0	0	0	0	0	0	*
	NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0	
140	Beauty and Barber			0	7,708	150	13	7,870	7,513	357	
145	Other Nonreimbursable			0	0	0	0	0	0	0	
	TOTAL	$ 1,309,819	100%	$ 7,024	$ 1,194,879	$ 106,046	$ 8,894	$ 1,309,819	$ 1,250,325	$ 59,494	

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER
Provider NPI: 1528100013
OSHPD Facility Number: 206100772
Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 58% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 11% of Total	Quality Assur. Fees 29% of Total	Caregiver Training 0% of Total
	GENERAL SERVICES													
045	Property Insurance	$ 14,850												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits,													
	Agency Staff and Other - Nonlabor)	1,477,763												
	Total Costs Allocable as Administration	1,492,613	58%											
167	DPH Licensing Fees	51,660	2%											
168	Professional Liability Insurance	275,562	11%											
169	Quality Assurance Fees	745,789	29%											
174	Caregiver Training	0	0%											
	Total	2,565,624	100%						$ 2,565,624					
	ANCILLARY SERVICES													
075	Patient Supplies			$ -	$ 3,407	$ 153,563	$ 12,041	$ 169,011	40,496	$ 23,559	$ 815	$ 4,349	$ 11,771	$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			0	14,401	762,530	50,902	827,833	198,351	115,396	3,994	21,304	57,658	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	8,362	595,016	29,556	632,934	151,653	88,228	3,054	16,288	44,083	0
083	Speech Pathology			0	4,787	179,792	16,922	201,501	48,280	28,088	972	5,186	14,034	0
085	Pharmacy			0	2,297	521,762	8,119	532,178	127,512	74,183	2,568	13,695	37,066	0
090	Laboratory			0	0	63,266	0	63,266	15,159	8,819	305	1,628	4,406	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	1,652	62,736	5,838	70,226	16,826	9,789	339	1,807	4,891	0
101	Subacute Care Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Care - Pediatric Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
	ROUTINE SERVICES													
105	Skilled Nursing Care			5,064,484	1,144,333	923,148	1,063,792	8,195,757	1,963,730	1,142,447	39,541	210,915	570,827	0 *
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0 *
126	Subacute Care - Pediatric			0	0	0	0	0	0	0	0	0	0	0 *
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0 *
	NONREIMBURSABLE													
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	2,181	5,207	7,708	15,096	3,617	2,104	73	389	1,051	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	$ 2,565,624		$ 5,064,484	$ 1,181,420	$ 3,267,020	$ 1,194,879	$ 10,707,803	$ 2,565,624					
	Total Administrative Costs							$ 2,565,624		$ 1,492,613	$ 51,660	$ 275,562	$ 745,789	$ -
	Unit Cost Multiplier							0.23960321						
	Accumulated Administration Costs (Sch 2 thru 5)				$ 157,100	$ 51,259	$ 114,940	$ 323,299						
	TOTAL FACILITY COSTS							$ 13,596,726						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER
Provider NPI: 1528100013
OSHPD Facility Number: 206100772
Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5	Hskpng (SQ FT) 10	Laundry (LBS) 60	Dietary (MEALS) 65	Soc Srvs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	Inserv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL (ACCUM COST)
		(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)		
	GENERAL SERVICES										
005	Plant Operations and Maintenance	230									
010	Housekeeping	1,213	1,213								
060	Laundry and Linen	173	173	173							
065	Dietary	2,470	2,470	2,470							
155	Social Services	269	269	269							
160	Activities	1,156	1,156	1,156							
165	Administration	2,325	2,325	2,325							
166	Medical Records	195	195	195							
170	Inservice Education - Nursing	154	154	154							
	ANCILLARY SERVICES										
075	Patient Supplies	264	264	264						169,011	169,011
077	Specialized Support Surfaces									0	0
080	Physical Therapy	1,116	1,116	1,116						827,833	827,833
081	Respiratory Therapy									0	0
082	Occupational Therapy	648	648	648						632,934	632,934
083	Speech Pathology	371	371	371						201,501	201,501
085	Pharmacy	178	178	178						532,178	532,178
090	Laboratory									63,266	63,266
095	Home Health Services									0	0
100	Other Ancillary Services	128	128	128						70,226	70,226
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	19,101	19,101	19,101	123,920	183,699	4,922,557	4,922,557	4,922,557	8,195,757	8,195,757
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatric						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	169	169	169						15,096	15,096
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	30,160	29,930	28,717	123,920	183,699	4,922,557	4,922,557	4,922,557	10,707,803	10,707,803
	TOTAL DIRECT SALARIES COSTS - SCH. 2						$ 245,045	$ 138,385			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.049780023	0.028112422			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		$ 84,384	$ 289,609	$ 113,624	$ 574,453	$ 3,471	$ 14,917	$ 191,382	$ 30,003	$ 127,097
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		2.81937855	10.08492900	0.91691773	3.12714081	0.00070517	0.00303041	0.03887863	0.00280193	0.01186960
	TOTAL INDIRECT OTHER COSTS - SCH. 4		$ 253,278	$ 85,167	$ 28,033	$ 388,986	$ 19,210	$ 25,368	$ 1,760	$ 26,570	$ 24,688
	UNIT COST MULTIPLIER (INDIRECT OTHER)		8.46234547	2.96572849	0.22621899	2.11752020	0.00390247	0.00515339	0.00035752	0.00248139	0.00230565
	TOTAL CAPITAL COSTS - SCH. 5	$ 1,309,819	$ 9,989	$ 53,084	$ 7,891	$ 112,660	$ 12,269	$ 52,727	$ 7,024	$ 106,046	$ 8,894
	UNIT COST MULTIPLIER (CAPITAL COSTS)	43.42901194	0.33373447	1.84852914	0.06367617	0.61328505	0.00249249	0.01071123	0.00142693	0.00990364	0.00083063

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	$ 67,873	$ 0	$ 67,873	(Sch 3)
005	.20-.39	Fringe Benefits	6200	16,511	0	16,511	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	255,946	(2,668)	253,278	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	$ 340,330	$ (2,668)	$ 337,662	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	$ 219,602	$ 0	$ 219,602	(Sch 3)
010	.20-.39	Fringe Benefits	6300	66,587	0	66,587	(Sch 3)
010	.79	Agency Staff	6300		0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	74,902	0	74,902	(Sch 4)
010		Housekeeping - Total	6300	$ 361,091	$ 0	$ 361,091	
015		Depreciation: Buildings and Improvements	7110 - 7120	$	$ 0	$ 0	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	19,068	0	19,068	(Sch 5)
025		Depreciation: Equipment	7140	34,907	22	34,929	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	1,196,116	0	1,196,116	(Sch 5)
040		Property Taxes	7300	59,494	0	59,494	(Sch 5)
045		Property Insurance	7400	14,850	0	14,850	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		212	212	(Sch 5)
055		Interest - Other	7600	$ 212	$ (212)	$ 0	(Sch 6)
057		**Subtotal 005 - 055**		$ 2,026,068	$ (2,646)	$ 2,023,422	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	$ 86,556	$ 0	$ 86,556	(Sch 3)
060	.20-.39	Fringe Benefits	6400	24,836	0	24,836	(Sch 3)
060	.79	Agency Staff	6400		0	0	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	26,056	0	26,056	(Sch 4)
060		Laundry and Linen - Total	6400	$ 137,448	$ 0	$ 137,448	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	$ 416,283	$ 0	$ 416,283	(Sch 3)
065	.20-.39	Fringe Benefits	6500	126,296	0	126,296	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	360,759	0	360,759	(Sch 4)
065		Dietary - Total	6500	$ 903,338	$ 0	$ 903,338	
070		Provision for Bad Debts	7700	$	0	$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	$	$ 0	$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100		0	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	150,546	0	150,546	(Sch 4)
075		Patient Supplies - Total	8100	$ 150,546	$ 0	$ 150,546	
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	$	$ 0	$ 0	N/A
077	.20-.39	Fringe Benefits	8150		0	0	N/A
077	.79	Agency Staff	8150		0	0	N/A
077	.40-.99	Other - Nonlabor	8150		0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	$ 0	$ 0	$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	$	$ 0	$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200		0	0	(Sch 2)
080	.79	Agency Staff	8200		0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	722,152	27,624	749,776	(Sch 4)
080		Physical Therapy - Total	8200	$ 722,152	$ 27,624	$ 749,776	
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	$	$ 0	$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220		0	0	(Sch 2)
081	.79	Agency Staff	8220		0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220		0	0	(Sch 4)
081		Respiratory Therapy - Total	8220	$ 0	$ 0	$ 0	
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	$	$ 0	$ 0	(Sch 2)
082	.20-.39	Fringe Benefits	8250		0	0	(Sch 2)
082	.79	Agency Staff	8250		0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	574,383	13,228	587,611	(Sch 4)
082		Occupational Therapy - Total	8250	$ 574,383	$ 13,228	$ 587,611	
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	$	$ 0	$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280		0	0	(Sch 2)
083	.79	Agency Staff	8280		0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	171,608	3,944	175,552	(Sch 4)
083		Speech Pathology - Total	8280	$ 171,608	$ 3,944	$ 175,552	
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	$	$ 0	$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300		0	0	(Sch 2)
085	.79	Agency Staff	8300		0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	519,728	0	519,728	(Sch 4)
085		Pharmacy - Total	8300	$ 519,728	$ 0	$ 519,728	
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	$	$ 0	$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400		0	0	(Sch 2)
090	.79	Agency Staff	8400		0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	63,266	0	63,266	(Sch 4)
090		Laboratory - Total	8400	$ 63,266	$ 0	$ 63,266	
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	$	$ 0	$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800		0	0	(Sch 2)
095	.79	Agency Staff	8800		0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800		0	0	(Sch 4)
095		Home Health Services - Total	8800	$ 0	$ 0	$ 0	
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	$	$ 0	$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900		0	0	(Sch 2)
100	.79	Agency Staff	8900		0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	56,062	5,211	61,273	(Sch 4)
100		Other Ancillary Services - Total	8900	$ 56,062	$ 5,211	$ 61,273	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
101		Subacute Care Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	$	$ 0	$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
101	.79	Agency Staff	8100-8900		0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
101		Subacute Care Ancillary Services - Total	8100-8900	$ 0	$ 0	$ 0	
102		Subacute Care - Pediatric Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	$	$ 0	$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900		0	0	(Sch 2)
102	.79	Agency Staff	8100-8900		0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900		0	0	(Sch 4)
102		Subacute Care - Pediatric Ancillary Services - Total	8100-8900	$ 0	$ 0	$ 0	
104		Subtotal 075 - 102		$ 2,257,745	$ 50,007	$ 2,307,752	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	$ 3,639,186	$ 0	$ 3,639,186	(Sch 2)
105	.20-.39	Fringe Benefits	6110	1,041,868	0	1,041,868	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	249,015	(7,512)	241,503	(Sch 4)
105		Skilled Nursing Care - Total	6110	$ 4,930,069	$ (7,512)	$ 4,922,557	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	$	$ 0	$ 0	
110	.20-.39	Fringe Benefits	6120		0	0	
110	.49	Agency Staff	6120		0	0	
110	.40-.99	Other - Nonlabor	6120		0	0	
110		Intermediate Care - Total	6120	$ 0	$ 0	$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	$	$ 0	$ 0	
115	.20-.39	Fringe Benefits	6130		0	0	
115	.49	Agency Staff	6130		0	0	
115	.40-.99	Other - Nonlabor	6130		0	0	
115		Mentally Disordered Care - Total	6130	$ 0	$ 0	$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	$	$ 0	$ 0	
120	.20-.39	Fringe Benefits	6140		0	0	
120	.49	Agency Staff	6140		0	0	
120	.40-.99	Other - Nonlabor	6140		0	0	
120		Developmentally Disabled Care - Total	6140	$ 0	$ 0	$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	$	$ 0	$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150		0	0	(Sch 2)
125	.49	Agency Staff	6150		0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150		0	0	(Sch 4)
125		Subacute Care - Total	6150	$ 0	$ 0	$ 0	
126		Subacute Care - Pediatric					
126	.01-.19	Salaries and Wages	6160	$	$ 0	$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160		0	0	(Sch 2)
126	.49	Agency Staff	6160		0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160		0	0	(Sch 4)
126		Subacute Care - Pediatric - Total	6160	$ 0	$ 0	$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
128		Transitional Inpatient Care					
128	.01-.19	Salaries and Wages	6170	$	$ 0	$ 0	
128	.20-.39	Fringe Benefits	6170		0	0	
128	.49	Agency Staff	6170		0	0	
128	.40-.99	Other - Nonlabor	6170		0	0	
128		Transitional Inpatient Care - Total	6170	$ 0	$ 0	$ 0	(Sch 2)
130		Hospice Inpatient Care					
130	.01-.19	Salaries and Wages	6180	$	$ 0	$ 0	
130	.20-.39	Fringe Benefits	6180		0	0	
130	.49	Agency Staff	6180		0	0	
130	.40-.99	Other - Nonlabor	6180		0	0	
130		Hospice Inpatient Care - Total	6180	$ 0	$ 0	$ 0	(Sch 2)
135		Other Routine Services					
135	.01-.19	Salaries and Wages	6190	$	$ 0	$ 0	
135	.20-.39	Fringe Benefits	6190		0	0	
135	.49	Agency Staff	6190		0	0	
135	.40-.99	Other - Nonlabor	6190		0	0	
135		Other Routine Services - Total	6190	$ 0	$ 0	$ 0	(Sch 2)
		Other Nonreimbursable					
139		Residential Care					
139	.01-.19	Salaries and Wages	9100	$	$ 0	$ 0	(Sch 2)
139	.20-.39	Fringe Benefits	9100		0	0	(Sch 2)
139	.49	Agency Staff	9100		0	0	(Sch 2)
139	.40-.99	Other - Nonlabor	9100		0	0	(Sch 4)
139		Residential Care - Total	9100	$ 0	$ 0	$ 0	
140		Beauty and Barber					
140	.01-.19	Salaries and Wages	8900	$	$ 0	$ 0	(Sch 2)
140	.20-.39	Fringe Benefits	8900		0	0	(Sch 2)
140	.49	Agency Staff	8900		0	0	(Sch 2)
140	.40-.99	Other - Nonlabor	8900	3,276	0	3,276	(Sch 4)
140		Beauty and Barber - Total	8900	$ 3,276	$ 0	$ 3,276	
145		Other Nonreimbursable					
145	.01-.19	Salaries and Wages	9100	$	$ 0	$ 0	(Sch 2)
145	.20-.39	Fringe Benefits	9100		0	0	(Sch 2)
145	.49	Agency Staff	9100		0	0	(Sch 2)
145	.40-.99	Other - Nonlabor	9100		0	0	(Sch 4)
145		Other Nonreimbursable - Total	9100	$ 0	$ 0	$ 0	
146		**Subtotal 105 - 145**		$ 4,933,345	$ (7,512)	$ 4,925,833	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	$ 193,234	$ 0	$ 193,234	(Sch 2)
155	.20-.39	Fringe Benefits	6600	51,811	0	51,811	(Sch 2)
155	.49	Agency Staff	6600		0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	16,136	0	16,136	(Sch 4)
155		Social Services - Total	6600	$ 261,181	$ 0	$ 261,181	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Fiscal Period:
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Provider NPI:
1528100013

OSHPD Facility Number:
206100772

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS REPORTED	AUDIT ADJUSTMENTS 8A-1	AS AUDITED	
160		Activities					
160	.01-.19	Salaries and Wages	6700	$ 107,267	$ 0	$ 107,267	(Sch 2)
160	.20-.39	Fringe Benefits	6700	31,118	0	31,118	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	12,157	0	12,157	(Sch 4)
160		Activities - Total	6700	$ 150,542	$ 0	$ 150,542	
165		Administration					
165	.01-.19	Salaries and Wages	6900	$ 439,139	$ 0	$ 439,139	(Sch 6)
165	.20-.39	Fringe Benefits	6900	127,121	0	127,121	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	927,181	(15,678)	911,503	(Sch 6)
165		Administration - Total	6900	$ 1,493,441	$ (15,678)	$ 1,477,763	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	$ 97,227	$ 0	$ 97,227	(Sch 3)
166	.20-.39	Fringe Benefits	6900	27,354	0	27,354	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	22,460	0	22,460	(Sch 4)
166		Medical Records - Total	6900	$ 147,041	$ 0	$ 147,041	
167		CDPH Licensing Fees	6900	$ 51,660	$ 0	$ 51,660	(Sch 6)
168		Professional Liability Insurance	6900	$ 275,562	$ 0	$ 275,562	(Sch 6)
169		Quality Assurance Fees	6900	$ 745,789	$ 0	$ 745,789	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	$ 147,214	$ 0	$ 147,214	(Sch 3)
170	.20-.39	Fringe Benefits	6800	42,181	0	42,181	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800		0	0	(Sch 4)
170		Inservice Education - Nursing - Total	6800	$ 189,395	$ 0	$ 189,395	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	$	$ 0	$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900		0	0	(Sch 6)
174	.49	Agency Staff	6900		0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900		0	0	(Sch 6)
174		Caregiver Training - Total	6900	$ 0	$ 0	$ 0	
		Subtotal 155 - 174		$ 3,314,611	$ (15,678)	$ 3,298,933	
200		**Total**		**$ 13,572,555**	**$ 24,171**	**$ 13,596,726**	

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Provider NPI: 1528100013

OSHPD Facility Number: 206100772

Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
005	1	Plant Operations and Maintenance - Salaries and Wages	0								
005	2	Plant Operations and Maintenance - Fringe Benefits	0								
005	3	Plant Operations and Maintenance - Agency Staff	0								
005	4	Plant Operations and Maintenance - Other - Nonlabor	(2,668)			(2,668)					
010	1	Housekeeping - Salaries and Wages	0								
010	2	Housekeeping - Fringe Benefits	0								
010	3	Housekeeping - Agency Staff	0								
010	4	Housekeeping - Other - Nonlabor	0								
015	4	Depreciation: Buildings and Improvements	0								
020	4	Depreciation: Leasehold Improvements	0								
025	4	Depreciation: Equipment	22				22				
030	4	Depreciation and Amortization - Other	0								
035	4	Leases and Rentals	0								
040	4	Property Taxes	0								
045	4	Property Insurance	0								
050	4	Interest - Property, Plant, and Equipment	212	212							
055	4	Interest - Other	(212)	(212)							
060	1	Laundry and Linen - Salaries and Wages	0								
060	2	Laundry and Linen - Fringe Benefits	0								
060	3	Laundry and Linen - Agency Staff	0								
060	4	Laundry and Linen - Other - Nonlabor	0								
065	1	Dietary - Salaries and Wages	0								
065	2	Dietary - Fringe Benefits	0								
065	3	Dietary - Agency Staff	0								
065	4	Dietary - Other - Nonlabor	0								
070	4	Provision for Bad Debts	0								
075	1	Patient Supplies - Salaries and Wages	0								
075	2	Patient Supplies - Fringe Benefits	0								
075	3	Patient Supplies - Agency Staff	0								
075	4	Patient Supplies - Other - Nonlabor	0								
077	1	Specialized Support Surfaces - Salaries and Wages	0								
077	2	Specialized Support Surfaces - Fringe Benefits	0								
077	3	Specialized Support Surfaces - Agency Staff	0								
077	4	Specialized Support Surfaces - Other - Nonlabor	0								
080	1	Physical Therapy - Salaries and Wages	0								
080	2	Physical Therapy - Fringe Benefits	0								
080	3	Physical Therapy - Agency Staff	0								
080	4	Physical Therapy - Other - Nonlabor	27,624					27,624			
081	1	Respiratory Therapy - Salaries and Wages	0								
081	2	Respiratory Therapy - Fringe Benefits	0								
081	3	Respiratory Therapy - Agency Staff	0								
081	4	Respiratory Therapy - Other - Nonlabor	0								
082	1	Occupational Therapy - Salaries and Wages	0								
082	2	Occupational Therapy - Fringe Benefits	0								
082	3	Occupational Therapy - Agency Staff	0								
082	4	Occupational Therapy - Other - Nonlabor	13,228					13,228			
083	1	Speech Pathology - Salaries and Wages	0								
083	2	Speech Pathology - Fringe Benefits	0								
083	3	Speech Pathology - Agency Staff	0								

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Provider NPI: 1528100013

OSHPD Facility Number: 206100772

Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
083	4	Speech Pathology - Other - Nonlabor	3,944					3,944			
085	1	Pharmacy - Salaries and Wages	0								
085	2	Pharmacy - Fringe Benefits	0								
085	3	Pharmacy - Agency Staff	0								
085	4	Pharmacy - Other - Nonlabor	0								
090	1	Laboratory - Salaries and Wages	0								
090	2	Laboratory - Fringe Benefits	0								
090	3	Laboratory - Agency Staff	0								
090	4	Laboratory - Other - Nonlabor	0								
095	1	Home Health Services - Salaries and Wages	0								
095	2	Home Health Services - Fringe Benefits	0								
095	3	Home Health Services - Agency Staff	0								
095	4	Home Health Services - Other - Nonlabor	0								
100	1	Other Ancillary Services - Salaries and Wages	0								
100	2	Other Ancillary Services - Fringe Benefits	0								
100	3	Other Ancillary Services - Agency Staff	0								
100	4	Other Ancillary Services - Other - Nonlabor	5,211		5,211						
101	1	Subacute Care Ancillary Services - Salaries and Wages	0								
101	2	Subacute Care Ancillary Services - Fringe Benefits	0								
101	3	Subacute Care Ancillary Services - Agency Staff	0								
101	4	Subacute Care Ancillary Services - Other - Nonlabor	0								
102	1	Subacute Pediatric Ancillary Services - Salaries and Wages	0								
102	2	Subacute Pediatric Ancillary Services - Fringe Benefits	0								
102	3	Subacute Pediatric Ancillary Services - Agency Staff	0								
102	4	Subacute Pediatric Ancillary Services - Other - Nonlabor	0								
105	1	Skilled Nursing Care - Salaries and Wages	0								
105	2	Skilled Nursing Care - Fringe Benefits	0								
105	3	Skilled Nursing Care - Agency Staff	0								
105	4	Skilled Nursing Care - Other - Nonlabor	(7,512)		(5,211)		(2,301)				
110	1	Intermediate Care - Salaries and Wages	0								
110	2	Intermediate Care - Fringe Benefits	0								
110	3	Intermediate Care - Agency Staff	0								
110	4	Intermediate Care - Other - Nonlabor	0								
115	1	Mentally Disordered Care - Salaries and Wages	0								
115	2	Mentally Disordered Care - Fringe Benefits	0								
115	3	Mentally Disordered Care - Agency Staff	0								
115	4	Mentally Disordered Care - Other - Nonlabor	0								
120	1	Developmentally Disabled Care - Salaries and Wages	0								
120	2	Developmentally Disabled Care - Fringe Benefits	0								
120	3	Developmentally Disabled Care - Agency Staff	0								
120	4	Developmentally Disabled Care - Other - Nonlabor	0								
125	1	Subacute Care - Salaries and Wages	0								
125	2	Subacute Care - Fringe Benefits	0								
125	3	Subacute Care - Agency Staff	0								
125	4	Subacute Care - Other - Nonlabor	0								
126	1	Subacute Care - Pediatric - Salaries and Wages	0								
126	2	Subacute Care - Pediatric - Fringe Benefits	0								
126	3	Subacute Care - Pediatric - Agency Staff	0								
126	4	Subacute Care - Pediatric - Other - Nonlabor	0								

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Provider NPI: 1528100013

OSHPD Facility Number: 206100772

Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
128	1	Transitional Inpatient Care - Salaries and Wages	0								
128	2	Transitional Inpatient Care - Fringe Benefits	0								
128	3	Transitional Inpatient Care - Agency Staff	0								
128	4	Transitional Inpatient Care - Other - Nonlabor	0								
130	1	Hospice Inpatient Care - Salaries and Wages	0								
130	2	Hospice Inpatient Care - Fringe Benefits	0								
130	3	Hospice Inpatient Care - Agency Staff	0								
130	4	Hospice Inpatient Care - Other - Nonlabor	0								
135	1	Other Routine Services - Salaries and Wages	0								
135	2	Other Routine Services - Fringe Benefits	0								
135	3	Other Routine Services - Agency Staff	0								
135	4	Other Routine Services - Other - Nonlabor	0								
139	1	Residential Care - Salaries and Wages	0								
139	2	Residential Care - Fringe Benefits	0								
139	3	Residential Care - Agency Staff	0								
139	4	Residential Care - Other - Nonlabor	0								
140	1	Beauty and Barber - Salaries and Wages	0								
140	2	Beauty and Barber - Fringe Benefits	0								
140	3	Beauty and Barber - Agency Staff	0								
140	4	Beauty and Barber - Other - Nonlabor	0								
145	1	Other Nonreimbursable - Salaries and Wages	0								
145	2	Other Nonreimbursable - Fringe Benefits	0								
145	3	Other Nonreimbursable - Agency Staff	0								
145	4	Other Nonreimbursable - Other - Nonlabor	0								
155	1	Social Services - Salaries and Wages	0								
155	2	Social Services - Fringe Benefits	0								
155	3	Social Services - Agency Staff	0								
155	4	Social Services - Other - Nonlabor	0								
160	1	Activities - Salaries and Wages	0								
160	2	Activities - Fringe Benefits	0								
160	3	Activities - Agency Staff	0								
160	4	Activities - Other - Nonlabor	0								
165	1	Administration - Salaries and Wages	0								
165	2	Administration - Fringe Benefits	0								
165	3	Administration - Agency Staff	0								
165	4	Administration - Other - Nonlabor	(15,678)			2,668			(18,346)		
166	1	Medical Records - Salaries and Wages	0								
166	2	Medical Records - Fringe Benefits	0								
166	3	Medical Records - Agency Staff	0								
166	4	Medical Records - Other - Nonlabor	0								
167	4	CDPH Licensing Fees	0								
168	4	Professional Liability Insurance	0								
169	4	Quality Assurance Fees	0								
170	1	Inservice Education - Nursing - Salaries and Wages	0								
170	2	Inservice Education - Nursing - Fringe Benefits	0								
170	3	Inservice Education - Nursing - Agency Staff	0								
170	4	Inservice Education - Nursing - Other - Nonlabor	0								
174	1	Caregiver Training - Salaries and Wages	0								
174	2	Caregiver Training - Fringe Benefits	0								

Provider Name: PACIFIC GARDENS NURSING AND REHABILITATION CENTER

Provider NPI: 1528100013

OSHPD Facility Number: 206100772

Fiscal Period: JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

Line No.	Sub No.		TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff	0								
174	4	Caregiver Training - Other - Nonlabor	0								
200		Total	$24,171 (To Sch 8)	0	0	0	(2,279)	44,796	(18,346)	0	0

Provider Name	Fiscal Period	Provider NPI	Adjustments
PACIFIC GARDENS NURSING AND REHABILITATION CENTER	JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	1528100013	9

Report References										
	Cost Report			Audit Report						
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							RECLASSIFICATIONS OF REPORTED COSTS			
1	10.5	050	4	8A-1	050	4	Interest - Property, Plant, and Equipment	$0	$212	$212
	10.5	055	4	8A-1	055	4	Interest - Other	212	(212)	0
							To reclassify leasehold interest to the appropriate cost cente			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300 and 2304			
							CCR, Title 22, Section 52000			
2	10.5	100	4	8A-1	100	4	Other Ancillary Services - Other - Nonlabor	$56,062	$5,211	$61,273
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	249,015	(5,211)	243,804 *
							To reclassify X-ray and laboratory expense from Skilled Nursing to an ancillary cost center.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2202.8 and 2203.2			
							CCR, Title 22, Section 51511			
3	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor	$255,946	($2,668)	$253,278
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	927,181	2,668	929,849 *
							To reclassify asset addition expense to the appropriate cost center.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8			

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider NPI	Adjustments
PACIFIC GARDENS NURSING AND REHABILITATION CENTER	JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	1528100013	9

Report References										
	Cost Report			Audit Report						
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED COSTS				
4	10.5	025	4	8A-1	025	4	Depreciation - Equipment		$34,907	$22	$34,929
	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	*	243,804	(2,301)	241,503
							To reverse the provider's adjustment to expense assets for items that should be capitalized and to add back the depreciation expense. 42 CFR 413.20 and 413.134 CMS Pub. 15-1, Sections 104.8, 108.1, 108.2 and 2300				
5	10.5	080	4	8A-1	080	4	Physical Therapy - Other - Nonlabor		$722,152	$27,624	$749,776
	10.5	082	4	8A-1	082	4	Occupational Therapy - Other - Nonlabor		574,383	13,228	587,611
	10.5	083	4	8A-1	083	4	Speech Pathology - Other - Nonlabor		171,608	3,944	175,552
							To adjust the expense of ancillary services provided by a related entity to the actual costs. 42 CFR 413.153 CMS Pub. 15-1, Sections 1005, 2300 and 2304				
6	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	$929,849	($18,346)	$911,503
							To adjust reported home office costs to agree with the Covenant Care California, LLC Home Office Audit Report for fiscal period ended December 31, 2010. 42 CFR 413.17 and 413.24 CMS Pub. 15-1, Sections 2150.2 and 2304				

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider NPI	Adjustments
PACIFIC GARDENS NURSING AND REHABILITATION CENTER	JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	1528100013	9

Report References										
	Cost Report			Audit Report						
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA			
7	4.1	5	2	1	15	N/A	Medi-Cal Days To adjust reported Medi-Cal Nursing Facility days based on 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: June 8, 2012 42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139 CMS Pub. 15-1, Sections 2300, 2304, 2404, and 2408 CCR, Title 22, Section 51541	41,499	(362)	41,137
8	Not Reported			1	16	N/A	Medi-Cal Managed Care Days To include Medi-Cal Managed Care days to agree with the provider's patient census records. 42 CFR 413.20 and 413.50 CMS Pub. 15-1, Sections 2205 and 2304	0	362	362

Provider Name	Fiscal Period	Provider NPI	Adjustments
PACIFIC GARDENS NURSING AND REHABILITATION CENTER	JANUARY 1, 2010 THROUGH DECEMBER 31, 2010	1528100013	9

Report References										
	Cost Report			Audit Report						
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
							ADJUSTMENT TO OTHER MATTERS			
9	Not Reported			1	14	N/A	Overpayments To recover outstanding Medi-Cal credit balances. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Sections 50761 and 51458.1	$0	$5,322	$5,322