REPORT
ON THE
RATE SETTING AUDIT

VALLEY GARDENS HEALTH CARE CENTER
STOCKTON, CALIFORNIA
NATIONAL PROVIDER IDENTIFIER: 1891700464

FISCAL PERIOD ENDED
JUNE 30, 2010

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

Section Chief: Michael Harrold
Audit Supervisor: Kristina Nacino
Auditor: Kathleen Nuzzolese

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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

July 3, 2012

Donna Dornbrook
Corporate Director of Reimbursement
Kindred Healthcare, Inc.
680 South Fourth Street
Louisville, Kentucky 40202

VALLEY GARDENS HEALTH CARE CENTER
NATIONAL PROVIDER IDENTIFIER (NPI) 1891700464
FISCAL PERIOD ENDED JUNE 30, 2010

We have examined the facility's Integrated Disclosure and Medi-Cal Cost Report for the above-referenced fiscal period. We also examined the facility's use of and Records of Noncovered Services deducted from patient share of cost. 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 accompanying Summary of Audited Facility Cost per Patient Day represents a proper determination of the allowable costs, patient days, and use of share of cost 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 $6,623, 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.

Financial Audits Branch/Audits Section—Fresno
1782 East Bullard Avenue, Suite 101, Fresno, CA 93710 - 5856
Telephone: (559) 446-2458 / Fax: (559) 446-2477
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—Fresno at (559) 446-2458.

Original Signed by

Michael A. Harrold, Chief
Audits Section—Fresno
Financial Audits Branch

Certified

STATE OF CALIFORNIA

SCHEDULE 1

SUMMARY OF AUDITED FACILITY COSTS / COST PER PATIENT DAY

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility No.:
206394003

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	$ 4,107,333	$ 98.93
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	$ N/A	$ 868,196	$ 20.91
3	Cost of Direct and Indirect Nonlabor - Other (Sch. 4, Ln. 105)	$ N/A	$ 808,748	$ 19.48
4	Cost of Capital Related (Sch. 5, Ln. 105)	$ N/A	$ 1,133,176	$ 27.29
5	Property Taxes (Sch. 5, Ln. 105)	$ N/A	$ 58,192	$ 1.40
6	CDPH Licensing Fees (Sch. 6, Ln. 105)	$ N/A	$ 25,025	$ 0.60
7	Professional Liability Insurance (Sch. 6, Ln. 105)	$ N/A	$ 233,171	$ 5.62
8	Caregiver Training (Sch. 6, Ln. 105)	$ N/A	$ 0	$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	$ N/A	$ 331,316	$ 7.98
10	Cost of Administration (Sch. 6, Ln. 105)	$ N/A	$ 1,065,577	$ 25.67
11	Cost of Routine Service/Audited Total Costs	$ 8,794,668.00	$ 8,630,734.34	$ 207.88
12	Total Patient Days (Adj 14)	41,509	41,517	
13	Cost Per Patient Day (Cost Divided by Days)	$ 211.87	$ 207.88	
14	Overpayments (Adj 18-20)	$ 0	$ (6,623)	
15	Medi-Cal Days (Adj 15-17)	20,745	20,690	
16	Medi-Cal Managed Care Days (Adj)		0	
	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:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility No.:
206394003

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:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility No.:
206394003

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	$ 152,856	$ 152,856			
160	Activities	91,155		$ 91,155		
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	3,863,322	152,856	91,155	4,107,333	*
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	$ 4,107,333	$ 152,856	$ 91,155	$ 4,107,333	

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
INDIRECT CARE LABOR

Provider Name: VALLEY GARDENS HEALTH CARE CENTER
Provider NPI: 1891700464
OSHPD Facility Number: 206394003
Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 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	$ 84,595	$ 84,595											
010	Housekeeping	216,969	795	$ 217,764										
060	Laundry and Linen	52,620	2,488	6,466	$ 61,574									
065	Dietary	393,424	9,114	23,683	0	$ 426,220								
155	Social Services	N/A	342	889	0	0	$ 1,231							
160	Activities	N/A	4,041	10,500	0	0	0	$ 14,541						
165	Administration	N/A	5,228	13,585	0	0	0	0		$ 18,813	$ 18,813			
166	Medical Records	103,392	421	1,094	0	0	0	0		104,907		$ 104,907		
170	Inservice Education - Nursing	72,861	901	2,340	0	0	0	0	$ 76,102					
	ANCILLARY SERVICES													
075	Patient Supplies		257	669	0	0	0	0	0	926	73	408	$ 1,407	
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	40	225	265	
080	Physical Therapy		3,824	9,938	0	0	0	0	0	13,762	1,598	8,909	24,269	
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0	
082	Occupational Therapy		725	1,884	0	0	0	0	0	2,609	1,242	6,926	10,777	
083	Speech Pathology		269	699	0	0	0	0	0	968	297	1,658	2,923	
085	Pharmacy		316	821	0	0	0	0	0	1,136	1,503	8,379	11,018	
090	Laboratory		0	0	0	0	0	0	0	0	185	1,033	1,218	
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0	
100	Other Ancillary Services		0	0	0	0	0	0	0	0	146	813	959	
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		55,196	143,434	61,574	426,220	1,231	14,541	76,102	778,298	13,670	76,228	868,196	*
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		497	1,292	0	0	0	0	0	1,789	51	282	2,122	
145	Other Nonreimbursable		181	471	0	0	0	0	0	652	8	47	708	
	TOTAL	$ 923,861	$ 84,595	$ 217,764	$ 61,574	$ 426,220	$ 1,231	$ 14,541	$ 76,102	$ 800,141	$ 18,813	$ 104,907	$ 923,861	

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES
OTHER - NONLABOR

Provider Name: VALLEY GARDENS HEALTH CARE CENTER
Provider NPI: 1891700464
OSHPD Facility Number: 206394003
Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 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	$ 294,611	$ 294,611											
010	Housekeeping	30,637	2,770	$ 33,407										
060	Laundry and Linen	27,788	8,665	992	$ 37,445									
065	Dietary	296,420	31,739	3,633	0	$ 331,792								
155	Social Services	0	1,191	136	0	0	$ 1,328							
160	Activities	10,548	14,072	1,611	0	0	0	$ 26,231						
165	Administration	N/A	18,206	2,084	0	0	0	0		$ 20,290	$ 20,290			
166	Medical Records	8,055	1,466	168	0	0	0	0		9,689		$ 9,689		
170	Inservice Education - Nursing	3,478	3,136	359	0	0	0	0	$ 6,973					
	ANCILLARY SERVICES													
075	Patient Supplies	30,421	896	103	0	0	0	0	0	31,420	79	38	$ 31,536	
077	Specialized Support Surfaces	20,031	0	0	0	0	0	0	0	20,031	43	21	20,095	
080	Physical Therapy	706,326	13,319	1,525	0	0	0	0	0	721,169	1,723	823	723,715	
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	
082	Occupational Therapy	601,027	2,525	289	0	0	0	0	0	603,841	1,340	640	605,820	
083	Speech Pathology	141,643	937	107	0	0	0	0	0	142,687	321	153	143,161	
085	Pharmacy	740,167	1,100	126	0	0	0	0	0	741,393	1,621	774	743,787	
090	Laboratory	92,103	0	0	0	0	0	0	0	92,103	200	95	92,398	
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0	
100	Other Ancillary Services	72,501	0	0	0	0	0	0	0	72,501	157	75	72,733	
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	168,965	192,226	22,004	37,445	331,792	1,328	26,231	6,973	786,964	14,744	7,040	808,748	*
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	13,699	1,731	198	0	0	0	0	0	15,628	55	26	15,709	
145	Other Nonreimbursable	0	631	72	0	0	0	0	0	704	9	4	717	
	TOTAL	$ 3,258,420	$ 294,611	$ 33,407	$ 37,445	$ 331,792	$ 1,328	$ 26,231	$ 6,973	$ 3,228,440	$ 20,290	$ 9,689	$ 3,258,420	

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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)	$ 1,246,427	95%							
	Property Tax (line 40)	64,008	5%	$ 1,310,435						
005	Plant Operations and Maintenance			29,399	$ 29,399					
010	Housekeeping			12,043	276	$ 12,319				
060	Laundry and Linen			37,679	865	366	$ 38,909			
065	Dietary			138,008	3,167	1,340	0	$ 142,515		
155	Social Services			5,180	119	50	0	0	$ 5,349	
160	Activities			61,189	1,404	594	0	0	0	$ 63,188
165	Administration			79,165	1,817	769	0	0	0	0
166	Medical Records			6,376	146	62	0	0	0	0
170	Inservice Education - Nursing			13,637	313	132	0	0	0	0
	ANCILLARY SERVICES									
075	Patient Supplies			3,896	89	38	0	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			57,913	1,329	562	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			10,980	252	107	0	0	0	0
083	Speech Pathology			4,073	93	40	0	0	0	0
085	Pharmacy			4,782	110	46	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			0	0	0	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			835,841	19,182	8,114	38,909	142,515	5,349	63,188
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			7,527	173	73	0	0	0	0
145	Other Nonreimbursable			2,745	63	27	0	0	0	0
	TOTAL	$ 1,310,435	100%	$ 1,310,435	$ 29,399	$ 12,319	$ 38,909	$ 142,515	$ 5,349	$ 63,188

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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)	$ 1,246,427	95%								
	Property Tax (line 40)	64,008	5%								
005	Plant Operations and Maintenance										
010	Housekeeping										
060	Laundry and Linen										
065	Dietary										
155	Social Services										
160	Activities										
165	Administration				$ 81,751	$ 81,751					
166	Medical Records				6,584		$ 6,584				
170	Inservice Education - Nursing			$ 14,082							
	ANCILLARY SERVICES										
075	Patient Supplies			0	4,024	318	26	$ 4,367	$ 4,154	$ 213	
077	Specialized Support Surfaces			0	0	175	14	189	180	9	
080	Physical Therapy			0	59,804	6,943	559	67,306	64,019	3,288	
081	Respiratory Therapy			0	0	0	0	0	0	0	
082	Occupational Therapy			0	11,339	5,397	435	17,171	16,332	839	
083	Speech Pathology			0	4,206	1,292	104	5,602	5,329	274	
085	Pharmacy			0	4,938	6,530	526	11,994	11,408	586	
090	Laboratory			0	0	805	65	869	827	42	
095	Home Health Services			0	0	0	0	0	0	0	
100	Other Ancillary Services			0	0	633	51	684	651	33	
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			14,082	1,127,182	59,402	4,784	1,191,368	1,133,176	58,192	*
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	7,773	220	18	8,010	7,619	391	
145	Other Nonreimbursable			0	2,835	37	3	2,874	2,734	140	
	TOTAL	$ 1,310,435	100%	$ 14,082	$ 1,222,100	$ 81,751	$ 6,584	$ 1,310,435	$ 1,246,427	$ 64,008	

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name: VALLEY GARDENS HEALTH CARE CENTER
Provider NPI: 1891700464
OSHPD Facility Number: 206394003
Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 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. 64% of Total	DPH Licensing Fees 2% of Total	Professional Liability Ins. 14% of Total	Quality Assur. Fees 20% of Total	Caregiver Training 0% of Total
	GENERAL SERVICES													
045	Property Insurance	$ 14,264												
055	Interest - Other	0												
165	Administration (Salaries & Wages, Fringe Benefits,													
	Agency Staff and Other - Nonlabor)	1,452,209												
	Total Costs Allocable as Administration	1,466,473	64%											
167	DPH Licensing Fees	34,440	2%											
168	Professional Liability Insurance	320,896	14%											
169	Quality Assurance Fees	455,965	20%											
174	Caregiver Training	0	0%											
	Total	2,277,774	100%						$ 2,277,774					
	ANCILLARY SERVICES													
075	Patient Supplies			$ -	$ 926	$ 31,420	$ 4,024	$ 36,369	8,852	$ 5,699	$ 134	$ 1,247	$ 1,772	$ -
077	Specialized Support Surfaces			0	0	20,031	0	20,031	4,876	3,139	74	687	976	0
080	Physical Therapy			0	13,762	721,169	59,804	794,736	193,442	124,541	2,925	27,252	38,723	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			0	2,609	603,841	11,339	617,790	150,372	96,812	2,274	21,185	30,102	0
083	Speech Pathology			0	968	142,687	4,206	147,861	35,990	23,171	544	5,070	7,204	0
085	Pharmacy			0	1,136	741,393	4,938	747,467	181,936	117,134	2,751	25,631	36,420	0
090	Laboratory			0	0	92,103	0	92,103	22,418	14,433	339	3,158	4,488	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	72,501	0	72,501	17,647	11,361	267	2,486	3,533	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			4,107,333	778,298	786,964	1,127,182	6,799,776	1,655,090	1,065,577	25,025	233,171	331,316	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	1,789	15,628	7,773	25,190	6,131	3,947	93	864	1,227	0
145	Other Nonreimbursable			0	652	704	2,835	4,191	1,020	657	15	144	204	0
	SUBTOTAL	$ 2,277,774		$ 4,107,333	$ 800,141	$ 3,228,440	$ 1,222,100	$ 9,358,015	$ 2,277,774					
	Total Administrative Costs							$ 2,277,774		$ 1,466,473	$ 34,440	$ 320,896	$ 455,965	$ -
	Unit Cost Multiplier							0.24340355						
	Accumulated Administration Costs (Sch 2 thru 5)				$ 123,720	$ 29,980	$ 88,335	$ 242,034						
	TOTAL FACILITY COSTS							$ 11,877,823						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name: VALLEY GARDENS HEALTH CARE CENTER
Provider NPI: 1891700464
OSHPD Facility Number: 206394003
Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 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 13)	(Adj 1,13)	(Adj 1,13)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)		
	GENERAL SERVICES										
005	Plant Operations and Maintenance	664									
010	Housekeeping	272	272								
060	Laundry and Linen	851	851	851							
065	Dietary	3,117	3,117	3,117							
155	Social Services	117	117	117							
160	Activities	1,382	1,382	1,382							
165	Administration	1,788	1,788	1,788							
166	Medical Records	144	144	144							
170	Inservice Education - Nursing	308	308	308							
	ANCILLARY SERVICES										
075	Patient Supplies	88	88	88						36,369	36,369
077	Specialized Support Surfaces									20,031	20,031
080	Physical Therapy	1,308	1,308	1,308						794,736	794,736
081	Respiratory Therapy									0	0
082	Occupational Therapy	248	248	248						617,790	617,790
083	Speech Pathology	92	92	92						147,861	147,861
085	Pharmacy	108	108	108						747,467	747,467
090	Laboratory									92,103	92,103
095	Home Health Services									0	0
100	Other Ancillary Services									72,501	72,501
101	Subacute Care Ancillary Services									0	0
102	Subacute Care - Pediatric Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	18,878	18,878	18,878	82,404	126,506	4,032,287	4,032,287	4,032,287	6,799,776	6,799,776
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	170	170	170						25,190	25,190
145	Other Nonreimbursable	62	62	62						4,191	4,191
	TOTAL STATISTICS	29,597	28,933	28,661	82,404	126,506	4,032,287	4,032,287	4,032,287	9,358,015	9,358,015
	TOTAL DIRECT SALARIES COSTS - SCH. 2						$ 152,856	$ 91,155			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.037908016	0.022606278			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		$ 84,595	$ 217,764	$ 61,574	$ 426,220	$ 1,231	$ 14,541	$ 76,102	$ 18,813	$ 104,907
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		2.92382401	7.59793029	0.74722117	3.36917070	0.00030530	0.00360616	0.01887309	0.00201035	0.01121041
	TOTAL INDIRECT OTHER COSTS - SCH. 4		$ 294,611	$ 33,407	$ 37,445	$ 331,792	$ 1,328	$ 26,231	$ 6,973	$ 20,290	$ 9,689
	UNIT COST MULTIPLIER (INDIRECT OTHER)		10.18252514	1.16557855	0.45441042	2.62273757	0.00032927	0.00650526	0.00172935	0.00216824	0.00103538
	TOTAL CAPITAL COSTS - SCH. 5	$ 1,310,435	$ 29,399	$ 12,319	$ 38,909	$ 142,515	$ 5,349	$ 63,188	$ 14,082	$ 81,751	$ 6,584
	UNIT COST MULTIPLIER (CAPITAL COSTS)	44.27594013	1.01611393	0.42983283	0.47217763	1.12654832	0.00132666	0.01567042	0.00349240	0.00873591	0.00070356

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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	$ 62,416	$ 0	$ 62,416	(Sch 3)
005	.20-.39	Fringe Benefits	6200	22,355	(176)	22,179	(Sch 3)
005	.79	Agency Staff	6200		0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	294,336	275	294,611	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	$ 379,107	$ 99	$ 379,206	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	$ 131,048	$ 0	$ 131,048	(Sch 3)
010	.20-.39	Fringe Benefits	6300	56,092	(370)	55,722	(Sch 3)
010	.79	Agency Staff	6300	30,199	0	30,199	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	30,368	269	30,637	(Sch 4)
010		Housekeeping - Total	6300	$ 247,707	$ (101)	$ 247,606	
015		Depreciation: Buildings and Improvements	7110 - 7120	$ 1,680	$ 0	$ 1,680	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	63,174	0	63,174	(Sch 5)
025		Depreciation: Equipment	7140	29,767	0	29,767	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160		0	0	(Sch 5)
035		Leases and Rentals	7200	1,151,806	0	1,151,806	(Sch 5)
040		Property Taxes	7300	64,008	0	64,008	(Sch 5)
045		Property Insurance	7400	14,264	0	14,264	(Sch 6)
050		Interest - Property, Plant, and Equipment	7500		0	0	(Sch 5)
055		Interest - Other	7600	$	$ 0	$ 0	(Sch 6)
057		**Subtotal 005 - 055**		$ 1,951,513	$ (2)	$ 1,951,511	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	$ 23,723	$ 0	$ 23,723	(Sch 3)
060	.20-.39	Fringe Benefits	6400	9,450	(67)	9,383	(Sch 3)
060	.79	Agency Staff	6400	19,514	0	19,514	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	33,420	(5,632)	27,788	(Sch 4)
060		Laundry and Linen - Total	6400	$ 86,107	$ (5,699)	$ 80,408	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	$ 293,613	$ 0	$ 293,613	(Sch 3)
065	.20-.39	Fringe Benefits	6500	100,639	(828)	99,811	(Sch 3)
065	.79	Agency Staff	6500		0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	291,332	5,088	296,420	(Sch 4)
065		Dietary - Total	6500	$ 685,584	$ 4,260	$ 689,844	
070		Provision for Bad Debts	7700	$ 0	0	$ 0	
		Ancillary Services					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	$ 3,833	$ (3,833)	$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	1,246	(1,246)	0	(Sch 2)
075	.79	Agency Staff	8100		0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	30,421	0	30,421	(Sch 4)
075		Patient Supplies - Total	8100	$ 35,500	$ (5,079)	$ 30,421	
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		20,031	20,031	(Sch 4)
077		Specialized Support Surfaces - Total	8150	$ 0	$ 20,031	$ 20,031	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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	706,326	0	706,326	(Sch 4)
080		Physical Therapy - Total	8200	$ 706,326	$ 0	$ 706,326	
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	601,027	0	601,027	(Sch 4)
082		Occupational Therapy - Total	8250	$ 601,027	$ 0	$ 601,027	
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	141,643	0	141,643	(Sch 4)
083		Speech Pathology - Total	8280	$ 141,643	$ 0	$ 141,643	
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	731,006	9,161	740,167	(Sch 4)
085		Pharmacy - Total	8300	$ 731,006	$ 9,161	$ 740,167	
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	92,103	0	92,103	(Sch 4)
090		Laboratory - Total	8400	$ 92,103	$ 0	$ 92,103	
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	72,501	0	72,501	(Sch 4)
100		Other Ancillary Services - Total	8900	$ 72,501	$ 0	$ 72,501	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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		$ 2,380,106	$ 24,113	$ 2,404,219	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	$ 3,015,688	$ (88,343)	$ 2,927,345	(Sch 2)
105	.20-.39	Fringe Benefits	6110	980,707	(44,730)	935,977	(Sch 2)
105	.49	Agency Staff	6110		0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	243,757	(74,792)	168,965	(Sch 4)
105		Skilled Nursing Care - Total	6110	$ 4,240,152	$ (207,865)	$ 4,032,287	
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:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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	13,699	0	13,699	(Sch 4)
140		Beauty and Barber - Total	8900	$ 13,699	$ 0	$ 13,699	
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**		$ 4,253,851	$ (207,865)	$ 4,045,986	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	$ 116,663	$ 0	$ 116,663	(Sch 2)
155	.20-.39	Fringe Benefits	6600	36,522	(329)	36,193	(Sch 2)
155	.49	Agency Staff	6600		0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600		0	0	(Sch 4)
155		Social Services - Total	6600	$ 153,185	$ (329)	$ 152,856	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY GARDENS HEALTH CARE CENTER

Fiscal Period:
JULY 1, 2009 THROUGH JUNE 30, 2010

Provider NPI:
1891700464

OSHPD Facility Number:
206394003

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	$ 66,040	$ 0	$ 66,040	(Sch 2)
160	.20-.39	Fringe Benefits	6700	25,301	(186)	25,115	(Sch 2)
160	.49	Agency Staff	6700		0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	16,095	(5,547)	10,548	(Sch 4)
160		Activities - Total	6700	$ 107,436	$ (5,733)	$ 101,703	
165		Administration					
165	.01-.19	Salaries and Wages	6900	$ 400,208	$ 92,176	$ 492,384	(Sch 6)
165	.20-.39	Fringe Benefits	6900	46,160	36,264	82,424	(Sch 6)
165	.49	Agency Staff	6900		0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	802,265	75,136	877,401	(Sch 6)
165		Administration - Total	6900	$ 1,248,633	$ 203,576	$ 1,452,209	
166		Medical Records					
166	.01-.19	Salaries and Wages	6900	$ 74,938	$ 0	$ 74,938	(Sch 3)
166	.20-.39	Fringe Benefits	6900	28,454	0	28,454	(Sch 3)
166	.49	Agency Staff	6900		0	0	(Sch 3)
166	.40-.99	Other - Nonlabor	6900	12,219	(4,164)	8,055	(Sch 4)
166		Medical Records - Total	6900	$ 115,611	$ (4,164)	$ 111,447	
167		CDPH Licensing Fees	6900	$ 34,440	$ 0	$ 34,440	(Sch 6)
168		Professional Liability Insurance	6900	$ 320,896	$ 0	$ 320,896	(Sch 6)
169		Quality Assurance Fees	6900	$ 455,965	$ 0	$ 455,965	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	$ 52,122	$ 0	$ 52,122	(Sch 3)
170	.20-.39	Fringe Benefits	6800	20,886	(147)	20,739	(Sch 3)
170	.49	Agency Staff	6800		0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	3,478	0	3,478	(Sch 4)
170		Inservice Education - Nursing - Total	6800	$ 76,486	$ (147)	$ 76,339	
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		$ 2,512,652	$ 193,203	$ 2,705,855	
200		**Total**		**$ 11,869,813**	**$ 8,010**	**$ 11,877,823**	

Provider Name: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
005	1	Plant Operations and Maintenance - Salaries and Wages	0								
005	2	Plant Operations and Maintenance - Fringe Benefits	(176)								
005	3	Plant Operations and Maintenance - Agency Staff	0								
005	4	Plant Operations and Maintenance - Other - Nonlabor	275								
010	1	Housekeeping - Salaries and Wages	0								
010	2	Housekeeping - Fringe Benefits	(370)								
010	3	Housekeeping - Agency Staff	0								
010	4	Housekeeping - Other - Nonlabor	269								
015	4	Depreciation: Buildings and Improvements	0								
020	4	Depreciation: Leasehold Improvements	0								
025	4	Depreciation: Equipment	0								
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	0								
055	4	Interest - Other	0								
060	1	Laundry and Linen - Salaries and Wages	0								
060	2	Laundry and Linen - Fringe Benefits	(67)								
060	3	Laundry and Linen - Agency Staff	0								
060	4	Laundry and Linen - Other - Nonlabor	(5,632)								
065	1	Dietary - Salaries and Wages	0								
065	2	Dietary - Fringe Benefits	(828)								
065	3	Dietary - Agency Staff	0								
065	4	Dietary - Other - Nonlabor	5,088								
070	4	Provision for Bad Debts	0								
075	1	Patient Supplies - Salaries and Wages	(3,833)						(3,833)		
075	2	Patient Supplies - Fringe Benefits	(1,246)						(1,246)		
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	20,031		20,031						
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	0								
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	0								
083	1	Speech Pathology - Salaries and Wages	0								
083	2	Speech Pathology - Fringe Benefits	0								
083	3	Speech Pathology - Agency Staff	0								

Provider Name: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
083	4	Speech Pathology - Other - Nonlabor	0								
085	1	Pharmacy - Salaries and Wages	0								
085	2	Pharmacy - Fringe Benefits	0								
085	3	Pharmacy - Agency Staff	0								
085	4	Pharmacy - Other - Nonlabor	9,161				9,161				
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	0								
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	(88,343)					(58,072)	(16,036)	(14,235)	
105	2	Skilled Nursing Care - Fringe Benefits	(44,730)					(18,885)	(12,711)	(4,629)	
105	3	Skilled Nursing Care - Agency Staff	0								
105	4	Skilled Nursing Care - Other - Nonlabor	(74,792)		(20,031)		(9,161)				(45,600)
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: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
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	(329)								
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	(186)								
160	3	Activities - Agency Staff	0								
160	4	Activities - Other - Nonlabor	(5,547)			(5,547)					
165	1	Administration - Salaries and Wages	92,176					58,072	19,869	14,235	
165	2	Administration - Fringe Benefits	36,264					18,885	13,957	4,629	
165	3	Administration - Agency Staff	0								
165	4	Administration - Other - Nonlabor	75,136	4,164		5,547					45,600
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	(4,164)	(4,164)							
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	(147)								
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: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
174	3	Caregiver Training - Agency Staff	0								
174	4	Caregiver Training - Other - Nonlabor	0								
200		Total	$8,010 (To Sch 8)	0	0	0	0	0	0	0	0

Provider Name: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
005	1	Plant Operations and Maintenance - Salaries and Wages									
005	2	Plant Operations and Maintenance - Fringe Benefits	(176)								
005	3	Plant Operations and Maintenance - Agency Staff									
005	4	Plant Operations and Maintenance - Other - Nonlabor		275							
010	1	Housekeeping - Salaries and Wages									
010	2	Housekeeping - Fringe Benefits	(370)								
010	3	Housekeeping - Agency Staff									
010	4	Housekeeping - Other - Nonlabor		269							
015	4	Depreciation: Buildings and Improvements									
020	4	Depreciation: Leasehold Improvements									
025	4	Depreciation: Equipment									
030	4	Depreciation and Amortization - Other									
035	4	Leases and Rentals									
040	4	Property Taxes									
045	4	Property Insurance									
050	4	Interest - Property, Plant, and Equipment									
055	4	Interest - Other									
060	1	Laundry and Linen - Salaries and Wages									
060	2	Laundry and Linen - Fringe Benefits	(67)								
060	3	Laundry and Linen - Agency Staff									
060	4	Laundry and Linen - Other - Nonlabor		(5,632)							
065	1	Dietary - Salaries and Wages									
065	2	Dietary - Fringe Benefits	(828)								
065	3	Dietary - Agency Staff									
065	4	Dietary - Other - Nonlabor		5,088							
070	4	Provision for Bad Debts									
075	1	Patient Supplies - Salaries and Wages									
075	2	Patient Supplies - Fringe Benefits									
075	3	Patient Supplies - Agency Staff									
075	4	Patient Supplies - Other - Nonlabor									
077	1	Specialized Support Surfaces - Salaries and Wages									
077	2	Specialized Support Surfaces - Fringe Benefits									
077	3	Specialized Support Surfaces - Agency Staff									
077	4	Specialized Support Surfaces - Other - Nonlabor									
080	1	Physical Therapy - Salaries and Wages									
080	2	Physical Therapy - Fringe Benefits									
080	3	Physical Therapy - Agency Staff									
080	4	Physical Therapy - Other - Nonlabor									
081	1	Respiratory Therapy - Salaries and Wages									
081	2	Respiratory Therapy - Fringe Benefits									
081	3	Respiratory Therapy - Agency Staff									
081	4	Respiratory Therapy - Other - Nonlabor									
082	1	Occupational Therapy - Salaries and Wages									
082	2	Occupational Therapy - Fringe Benefits									
082	3	Occupational Therapy - Agency Staff									
082	4	Occupational Therapy - Other - Nonlabor									
083	1	Speech Pathology - Salaries and Wages									
083	2	Speech Pathology - Fringe Benefits									
083	3	Speech Pathology - Agency Staff									

Provider Name: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
083	4	Speech Pathology - Other - Nonlabor									
085	1	Pharmacy - Salaries and Wages									
085	2	Pharmacy - Fringe Benefits									
085	3	Pharmacy - Agency Staff									
085	4	Pharmacy - Other - Nonlabor									
090	1	Laboratory - Salaries and Wages									
090	2	Laboratory - Fringe Benefits									
090	3	Laboratory - Agency Staff									
090	4	Laboratory - Other - Nonlabor									
095	1	Home Health Services - Salaries and Wages									
095	2	Home Health Services - Fringe Benefits									
095	3	Home Health Services - Agency Staff									
095	4	Home Health Services - Other - Nonlabor									
100	1	Other Ancillary Services - Salaries and Wages									
100	2	Other Ancillary Services - Fringe Benefits									
100	3	Other Ancillary Services - Agency Staff									
100	4	Other Ancillary Services - Other - Nonlabor									
101	1	Subacute Care Ancillary Services - Salaries and Wages									
101	2	Subacute Care Ancillary Services - Fringe Benefits									
101	3	Subacute Care Ancillary Services - Agency Staff									
101	4	Subacute Care Ancillary Services - Other - Nonlabor									
102	1	Subacute Pediatric Ancillary Services - Salaries and Wages									
102	2	Subacute Pediatric Ancillary Services - Fringe Benefits									
102	3	Subacute Pediatric Ancillary Services - Agency Staff									
102	4	Subacute Pediatric Ancillary Services - Other - Nonlabor									
105	1	Skilled Nursing Care - Salaries and Wages									
105	2	Skilled Nursing Care - Fringe Benefits	(8,505)								
105	3	Skilled Nursing Care - Agency Staff									
105	4	Skilled Nursing Care - Other - Nonlabor									
110	1	Intermediate Care - Salaries and Wages									
110	2	Intermediate Care - Fringe Benefits									
110	3	Intermediate Care - Agency Staff									
110	4	Intermediate Care - Other - Nonlabor									
115	1	Mentally Disordered Care - Salaries and Wages									
115	2	Mentally Disordered Care - Fringe Benefits									
115	3	Mentally Disordered Care - Agency Staff									
115	4	Mentally Disordered Care - Other - Nonlabor									
120	1	Developmentally Disabled Care - Salaries and Wages									
120	2	Developmentally Disabled Care - Fringe Benefits									
120	3	Developmentally Disabled Care - Agency Staff									
120	4	Developmentally Disabled Care - Other - Nonlabor									
125	1	Subacute Care - Salaries and Wages									
125	2	Subacute Care - Fringe Benefits									
125	3	Subacute Care - Agency Staff									
125	4	Subacute Care - Other - Nonlabor									
126	1	Subacute Care - Pediatric - Salaries and Wages									
126	2	Subacute Care - Pediatric - Fringe Benefits									
126	3	Subacute Care - Pediatric - Agency Staff									
126	4	Subacute Care - Pediatric - Other - Nonlabor									

Provider Name: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
128	1	Transitional Inpatient Care - Salaries and Wages									
128	2	Transitional Inpatient Care - Fringe Benefits									
128	3	Transitional Inpatient Care - Agency Staff									
128	4	Transitional Inpatient Care - Other - Nonlabor									
130	1	Hospice Inpatient Care - Salaries and Wages									
130	2	Hospice Inpatient Care - Fringe Benefits									
130	3	Hospice Inpatient Care - Agency Staff									
130	4	Hospice Inpatient Care - Other - Nonlabor									
135	1	Other Routine Services - Salaries and Wages									
135	2	Other Routine Services - Fringe Benefits									
135	3	Other Routine Services - Agency Staff									
135	4	Other Routine Services - Other - Nonlabor									
139	1	Residential Care - Salaries and Wages									
139	2	Residential Care - Fringe Benefits									
139	3	Residential Care - Agency Staff									
139	4	Residential Care - Other - Nonlabor									
140	1	Beauty and Barber - Salaries and Wages									
140	2	Beauty and Barber - Fringe Benefits									
140	3	Beauty and Barber - Agency Staff									
140	4	Beauty and Barber - Other - Nonlabor									
145	1	Other Nonreimbursable - Salaries and Wages									
145	2	Other Nonreimbursable - Fringe Benefits									
145	3	Other Nonreimbursable - Agency Staff									
145	4	Other Nonreimbursable - Other - Nonlabor									
155	1	Social Services - Salaries and Wages									
155	2	Social Services - Fringe Benefits	(329)								
155	3	Social Services - Agency Staff									
155	4	Social Services - Other - Nonlabor									
160	1	Activities - Salaries and Wages									
160	2	Activities - Fringe Benefits	(186)								
160	3	Activities - Agency Staff									
160	4	Activities - Other - Nonlabor									
165	1	Administration - Salaries and Wages									
165	2	Administration - Fringe Benefits	(1,207)								
165	3	Administration - Agency Staff									
165	4	Administration - Other - Nonlabor	11,815		8,010						
166	1	Medical Records - Salaries and Wages									
166	2	Medical Records - Fringe Benefits									
166	3	Medical Records - Agency Staff									
166	4	Medical Records - Other - Nonlabor									
167	4	CDPH Licensing Fees									
168	4	Professional Liability Insurance									
169	4	Quality Assurance Fees									
170	1	Inservice Education - Nursing - Salaries and Wages									
170	2	Inservice Education - Nursing - Fringe Benefits	(147)								
170	3	Inservice Education - Nursing - Agency Staff									
170	4	Inservice Education - Nursing - Other - Nonlabor									
174	1	Caregiver Training - Salaries and Wages									
174	2	Caregiver Training - Fringe Benefits									

Provider Name: VALLEY GARDENS HEALTH CARE CENTER

Provider NPI: 1891700464

OSHPD Facility Number: 206394003

Fiscal Period: JULY 1, 2009 THROUGH JUNE 30, 2010

Line No.	Sub No.		AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
174	3	Caregiver Training - Agency Staff									
174	4	Caregiver Training - Other - Nonlabor									
200		Total	0	0	8,010	0	0	0	0	0	0

Provider Name	Fiscal Period	Provider NPI	Adjustments
VALLEY GARDENS HEALTH CARE CENTER	JULY 1, 2009 THROUGH JUNE 30, 2010	1891700464	20

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
							MEMORANDUM ADJUSTMENT			
1	10.7	005	2-3	7	005	N/A	Plant Operations and Maintenance (Square Feet)	664	(664)	0
	10.7	010	3	7	010	N/A	Housekeeping	320	(320)	0
	10.7	175	2	7	N/A	N/A	Total Square Feet - Plant Operations and Maintenance	29,597	(664)	28,933
	10.7	175	3	7	N/A	N/A	Total Square Feet - Housekeeping	29,597	(984)	28,613 *
							To correct reported square feet statistic on schedule 10.7 columns 2 through 3 for proper reporting.			
							42 CFR 413.20 and 413.24			
							CMS Pub. 15-1, Sections 2300, 2304 and 2306			

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider NPI	Adjustments
VALLEY GARDENS HEALTH CARE CENTER	JULY 1, 2009 THROUGH JUNE 30, 2010	1891700464	20

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			
2	10.5	166	4	8A-1	166	4	Medical Records - Other - Nonlabor	$12,219	($4,164)	$8,055
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabo	802,265	4,164	806,429 *
							To reclassify the provider's offset of medical record sales to th appropriate cost center for proper determination of cos 42 CFR 413.5, 413.9, 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2304 and 2328			
3	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	$243,757	($20,031)	$223,726 *
	10.5	077	4	8A-1	077	4	Specialized Support Surfaces - Other - Nonlabor	0	20,031	20,031
							To reclassify easy air mattresses expense to the appropriate ancillary cost center. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2202.8, 2203.2, 2300 and 2304 CCR, Title 22, Section 51511(c)			
4	10.5	160	4	8A-1	160	4	Activities - Other - Nonlabor	$16,095	($5,547)	$10,548
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor *	806,429	5,547	811,976 *
							To reverse the provider's adjustment to reclassify newspaper and magazine expense for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 OSHPD LTC Manual, Chapter 3000, Section 3220.2			
5	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor *	$223,726	($9,161)	$214,565 *
	10.5	085	4	8A-1	085	4	Pharmacy - Other - Nonlabor	731,006	9,161	740,167
							To reverse the provider's reclassification of non-legend drugs for proper matching of revenue and expense and due to insufficient documentation. 42 CFR 413.5, 413.20, 413.24, 413.50 and 413.53 CMS Pub. 15-1, Sections 2202.4, 2203.2, 2206, 2300, 2302.6 and 2304 OSHPD LTC Manual, Chapter 1000, Section 1021			

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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					
6	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages		$3,015,688	($58,072)	$2,957,616	*
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits		980,707	(18,885)	961,822	*
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages		400,208	58,072	458,280	*
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits		46,160	18,885	65,045	*
							To reclassify case manager salary and benefits expense to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000					
7	10.5	075	1	8A-1	075	1	Patient Supplies - Salaries and Wages		$3,833	($3,833)	$0	
	10.5	075	2	8A-1	075	2	Patient Supplies - Fringe Benefits		1,246	(1,246)	0	
	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	*	2,957,616	(16,036)	2,941,580	*
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	961,822	(12,711)	949,111	*
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	*	458,280	19,869	478,149	*
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	65,045	13,957	79,002	*
							To reclassify supply clerk salary and benefit expense to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304 CCR, Title 22, Section 52000 OSHPD LTC Manual, Chapter 3000, Section 3220.2					
8	10.5	105	1	8A-1	105	1	Skilled Nursing Care - Salaries and Wages	*	$2,941,580	($14,235)	$2,927,345	
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	949,111	(4,629)	944,482	*
	10.5	165	1	8A-1	165	1	Administration - Salaries and Wages	*	478,149	14,235	492,384	
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	79,002	4,629	83,631	*
							To reclassify ward clerk salary and benefit expense to the appropriate cost center for proper cost determination. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2202.6, 2300 and 2304 CCR, Title 22, Section 52000 OSHPD LTC Manual, Chapter 3000, Section 3220.2					

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Provider Name	Fiscal Period	Provider NPI	Adjustments
VALLEY GARDENS HEALTH CARE CENTER	JULY 1, 2009 THROUGH JUNE 30, 2010	1891700464	20

Report References										
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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				
9	10.5	105	4	8A-1	105	4	Skilled Nursing Care - Other - Nonlabor	*	$214,565	($45,600)	$168,965
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	811,976	45,600	857,576 *
							To reclassify medical director fees to the Administration cost center.				
							42 CFR 413.20, 413.24 and 483.75(i)(2)				
							CMS Pub. 15-1, Sections 2202.6, 2300 and 2304				
							CCR, Title 22, Sections 51511(c) and 52000(b)				
10	10.5	005	2	8A-1	005	2	Plant Operations and Maintenance - Fringe Benefits		$22,355	($176)	$22,179
	10.5	010	2	8A-1	010	2	Housekeeping - Fringe Benefits		56,092	(370)	55,722
	10.5	060	2	8A-1	060	2	Laundry and Linen - Fringe Benefits		9,450	(67)	9,383
	10.5	065	2	8A-1	065	2	Dietary - Fringe Benefits		100,639	(828)	99,811
	10.5	105	2	8A-1	105	2	Skilled Nursing Care - Fringe Benefits	*	944,482	(8,505)	935,977
	10.5	155	2	8A-1	155	2	Social Services - Fringe Benefits		36,522	(329)	36,193
	10.5	160	2	8A-1	160	2	Activities - Fringe Benefits		25,301	(186)	25,115
	10.5	165	2	8A-1	165	2	Administration - Fringe Benefits	*	83,631	(1,207)	82,424
	10.5	170	2	8A-1	170	2	Inservice Education - Nursing - Fringe Benefits		20,886	(147)	20,739
	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor	*	857,576	11,815	869,391 *
							To adjust the provider's adjustments prior to the cost report for expenses which are administrative in nature for proper cost determination.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300 and 2304				
							OSHPD LTC Manual, Chapter 3000, Section 3220.2				
11	10.5	060	4	8A-1	060	4	Laundry and Linen - Other - Nonlabor		$33,420	($5,632)	$27,788
	10.5	005	4	8A-1	005	4	Plant Operations and Maintenance - Other - Nonlabor		294,336	275	294,611
	10.5	010	4	8A-1	010	4	Housekeeping - Other - Nonlabor		30,368	269	30,637
	10.5	065	4	8A-1	065	4	Dietary - Other - Nonlabor		291,332	5,088	296,420
							To reclassify uniform cleaning expense to the appropriate cost center for proper cost determination.				
							42 CFR 413.20 and 413.24				
							CMS Pub. 15-1, Sections 2300, 2302.4, 2302.8 and 2304				

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							ADJUSTMENTS TO REPORTED COSTS			
12	10.5	165	4	8A-1	165	4	Administration - Other - Nonlabor *	$869,391	$8,010	$877,401
							To adjust home office costs to agree with the filed Kindred Health Care, Inc. Home Office Cost Reports for fiscal periods ended 12/31/2009 and 12/31/2010.			
							42 CFR 413.17 and 413.24			
							CMS Pub. 15-1, Sections 2150.2 and 2304			

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							ADJUSTMENT TO REPORTED STATISTICS				
13	10.7	010	1-2	7	010	N/A	Housekeeping (Square Feet)		320	(48)	272
	10.7	060	1-3	7	060	N/A	Laundry and Linen		899	(48)	851
	10.7	075	1-3	7	075	N/A	Patient Supplies		49	39	88
	10.7	080	1-3	7	080	N/A	Physical Therapy		713	595	1,308
	10.7	082	1-3	7	082	N/A	Occupational Therapy		699	(451)	248
	10.7	083	1-3	7	083	N/A	Speech Pathology		68	24	92
	10.7	085	1-3	7	085	N/A	Pharmacy		0	108	108
	10.7	105	1-3	7	105	N/A	Skilled Nursing Care		18,990	(112)	18,878
	10.7	140	1-3	7	140	N/A	Beauty and Barber		69	101	170
	10.7	145	1-3	7	145	N/A	Other Nonreimbursable		0	62	62
	10.7	155	1-3	7	155	N/A	Social Services		405	(288)	117
	10.7	160	1-3	7	160	N/A	Activities		1,483	(101)	1,382
	10.7	165	1-3	7	165	N/A	Administration		1,977	(189)	1,788
	10.7	170	1-3	7	170	N/A	Inservice Education - Nursing		0	308	308
	10.7	175	3	7	N/A	N/A	Total Square Feet - Housekeeping	*	28,613	48	28,661

To adjust square footage statistics to agree with the provider's square footage detail and tour observations in order to properly allocate indirect costs.
42 CFR 413.20 and 413.24
CMS Pub. 15-1, Sections 2300, 2304, 2306 and 2328

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							ADJUSTMENTS TO REPORTED PATIENT DAYS			
14	11(2)	105	1	1	012	N/A	Total Patient Days To adjust total patient days to agree with the provider's census reports. 42 CFR 413.20, 413.24 and 413.50 CMS Pub. 15-1, Sections 2205, 2300 and 2304	41,509	8	41,517
	4.1	005	2	1	015	N/A	Skilled Nursing Care - Medi-Cal Days	20,745		
15							To adjust reported Medi-Cal Nursing Facility days to agree with the following Fiscal Intermediary Payment Data: Report Date: 10/27/2011 Service Period: 07/01/2009 through 06/30/2010 Payment Period: 07/01/2009 through 09/30/2011 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		17	
16							To adjust Medi-Cal patient days in conjunction with adjustment 18. 42 CFR 433.139, 413.20, 413.24 and 431.07 CMS Pub. 15-1, Sections 2205.1, 2300, 2304 and 2409 CCR, Title 22, Section 51458.1		(54)	
17							To adjust Medi-Cal patient days due to errors in billing hospice and day of discharge. 42 CFR 433.139, 413.20, 413.24 and 431.07 CMS Pub. 15-1, Sections 2205.1, 2300, 2304 and 2409 CCR, Title 22, Section 51458.1		(18) (55)	20,690

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							ADJUSTMENTS TO OTHER MATTERS			
	N/A			1	014	N/A	Medi-Cal Overpayments	$0		
18							To recover overpayments subsequent to the day of death or discharge, duplicate payments and due to insufficient documentation. 42 CFR 433.139, 413.20, 413.24 and 431.07 CMS Pub. 15-1, Sections 2205.1, 2300, 2304 and 2409 CCR, Title 22, Section 51458.1		$3,535	
19							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		2,897	
20							To recover Medi-Cal overpayments because the Share of Cost was not properly deducted from the amount billed. 42 CFR 413.5 and 413.20 CMS Pub. 15-1, Sections 2300 and 2409 CCR, Title 22, Sections 50786 and 51458.1		191 $6,623	$6,623