

**REPORT  
ON THE  
COST REPORT REVIEW**

**KINDRED HOSPITAL – LA MIRADA  
LA MIRADA, CALIFORNIA  
NATIONAL PROVIDER IDENTIFIER: 1033294723**

**FISCAL PERIOD ENDED  
AUGUST 31, 2009**

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

**Section Chief: Margaret A. Varho  
Audit Supervisor: Lan Nguyen  
Auditor: Monique Nguyen**



TOBY DOUGLAS  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

Date: December 19, 2012

Stephen M. Smith  
Corporate Manager of Reimbursement  
Kindred Healthcare, Inc.  
680 South Fourth Street  
Louisville, KY 40202

KINDRED HOSPITAL – LA MIRADA  
NATIONAL PROVIDER IDENTIFIER (NPI) 1033294723  
FISCAL PERIOD ENDED AUGUST 31, 2009

We have examined the provider's Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and was limited to a review of the cost report and accompanying financial statements, Medi-Cal payment data reports, prior fiscal period's Medi-Cal program audit report, and Medicare audit report for the current fiscal period, if applicable and available.

In our opinion, the audited settlement for the fiscal period due the State in the amount of \$349,323 presented in the Summary of Findings represents a proper determination in accordance with the reimbursement principles of applicable programs.

This audit report includes the:

1. Summary of Findings
2. Computation of Medi-Cal Reimbursement Settlement (NONCONTRACT Schedules)
3. Summary of Reductions AB 5 and AB 1183 Schedules
4. Audit Adjustments Schedule

Future long-term care prospective rates may be affected by this examination. The extent of the rate changes will be determined by the Department's Medi-Cal Benefits, Waiver Analysis and Rates Division.

Stephen Smith  
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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 Margaret Varho)***

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

Certified

**SUMMARY OF FINDINGS**

**Provider Name:**  
**KINDRED HOSPITAL - LA MIRADA**

**Fiscal Period Ended:**  
**AUGUST 31, 2009**

|   | SETTLEMENT   | COST    |
|---|--------------|---------|
| <b>1. Medi-Cal Noncontract Settlement (SCHEDULE 1)</b><br><b>Provider NPI: 1033294723</b> |              |         |
| Reported  | \$ 119,474   |         |
| Net Change  | \$ (468,797) |         |
| Audited Amount Due Provider (State)   | \$ (349,323) |         |
| <b>2. Subprovider I (SCHEDULE 1-1)</b><br><b>Provider NPI:</b>                            |              |         |
| Reported  | \$ 0         |         |
| Net Change  | \$ 0         |         |
| Audited Amount Due Provider (State)   | \$ 0         |         |
| <b>3. Subprovider II (SCHEDULE 1-2)</b><br><b>Provider NPI:</b>                           |              |         |
| Reported  | \$ 0         |         |
| Net Change  | \$ 0         |         |
| Audited Amount Due Provider (State)   | \$ 0         |         |
| <b>4. Medi-Cal Contract Cost (CONTRACT SCH 1)</b><br><b>Provider NPI:</b>                 |              |         |
| Reported  |              | \$ 0    |
| Net Change  |              | \$ 0    |
| Audited Cost  |              | \$ 0    |
| Audited Amount Due Provider (State)   | \$ 0         |         |
| <b>5. Distinct Part Nursing Facility (DPNF SCH 1)</b><br><b>Provider NPI:</b>             |              |         |
| Reported  |              | \$ 0.00 |
| Net Change  |              | \$ 0.00 |
| Audited Cost Per Day  |              | \$ 0.00 |
| Audited Amount Due Provider (State)   | \$ 0         |         |
| <b>6. Distinct Part Nursing Facility (DPNF SCH 1-1)</b><br><b>Provider NPI:</b>           |              |         |
| Reported  |              | \$ 0.00 |
| Net Change  |              | \$ 0.00 |
| Audited Cost Per Day  |              | \$ 0.00 |
| Audited Amount Due Provider (State)   | \$ 0         |         |
| <b>7. Adult Subacute (ADULT SUBACUTE SCH 1)</b><br><b>Provider NPI:</b>                   |              |         |
| Reported  |              | \$ 0.00 |
| Net Change  |              | \$ 0.00 |
| Audited Cost Per Day  |              | \$ 0.00 |
| Audited Amount Due Provider (State)   | \$ 0         |         |
| <b>8. Total Medi-Cal Settlement Due Provider (State) - (Lines 1 through 7)</b>            | \$ (349,323) |         |
| <b>9. Total Medi-Cal Cost</b>   |              | \$ 0    |

**SUMMARY OF FINDINGS**

**Provider Name:**  
**KINDRED HOSPITAL - LA MIRADA**

**Fiscal Period Ended:**  
**AUGUST 31, 2009**

|   |                                     | SETTLEMENT   | COST    |
|---|-------------------------------------|--------------|---------|
| <b>10. Subacute (SUBACUTE SCH 1-1)</b><br><b>Provider NPI:</b>  | Reported                            |              | \$ 0.00 |
|   | Net Change                          |              | \$ 0.00 |
|   | Audited Cost Per Day                |              | \$ 0.00 |
|   | Audited Amount Due Provider (State) | \$ 0         |         |
| <b>11. Rural Health Clinic (RHC SCH 1)</b><br><b>Provider NPI:</b>  | Reported                            | \$ 0         |         |
|   | Net Change                          | \$ 0         |         |
|   | Audited Amount Due Provider (State) | \$ 0         |         |
| <b>12. Rural Health Clinic (RHC 95-210 SCH 1)</b><br><b>Provider NPI:</b>                                 | Reported                            | \$ 0         |         |
|   | Net Change                          | \$ 0         |         |
|   | Audited Amount Due Provider (State) | \$ 0         |         |
| <b>13. Rural Health Clinic (RHC 95-210 SCH 1-1)</b><br><b>Provider NPI:</b>                               | Reported                            | \$ 0         |         |
|   | Net Change                          | \$ 0         |         |
|   | Audited Amount Due Provider (State) | \$ 0         |         |
| <b>14. County Medical Services Program (CMSP SCH 1)</b><br><b>Provider NPI:</b>                           | Reported                            | \$ 0         |         |
|   | Net Change                          | \$ 0         |         |
|   | Audited Amount Due Provider (State) | \$ 0         |         |
| <b>15. Transitional Care (TC SCH 1)</b><br><b>Provider NPI:</b>   | Reported                            |              | \$ 0.00 |
|   | Net Change                          |              | \$ 0.00 |
|   | Audited Cost Per Day                |              | \$ 0.00 |
|   | Audited Amount Due Provider (State) | \$ 0         |         |
| <b>16. Total Other Settlement</b><br><b>Due Provider - (Lines 10 through 15)</b>                          |                                     | \$ 0         |         |
| <b>17. Total Combined Audited Settlement Due</b><br><b>Provider (State/CMSP/RHC) - (Line 8 + Line 16)</b> |                                     | \$ (349,323) |         |

## COMPUTATION OF MEDI-CAL REIMBURSEMENT SETTLEMENT

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

Provider NPI:  
1033294723

|  | REPORTED                 | AUDITED        |
|--|--------------------------|----------------|
| 1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Schedule 3) | \$ 731,611               | \$ 1,176,634   |
| 2. Excess Reasonable Cost Over Charges (Schedule 2)                        | \$ 0                     | \$ 0           |
| 3. Medi-Cal Inpatient Hospital Based Physician Services                    | \$ 0                     | N/A            |
| 4. <span style="float: right;">\$</span>                                   | \$ 0                     | 0              |
| 5. TOTAL COST-Reimbursable to Provider (Lines 1 through 4)                 | \$ 731,611               | \$ 1,176,634   |
| 6. Interim Payments (Adj 6, 10)  | \$ (612,137)             | \$ (1,400,562) |
| 7. Balance Due Provider (State)  | \$ 119,474               | \$ (223,928)   |
| 8. Duplicate Payments (Adj )   | \$ 0                     | \$ 0           |
| 9. AB 5 and AB 1183 - Summary of Reductions (Adj 1)                        | \$ 0                     | \$ (125,395)   |
| 10. <span style="float: right;">\$</span>                                  | \$ 0                     | 0              |
| 11. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)                         | \$ 119,474               | \$ (349,323)   |
|  | (To Summary of Findings) |                |

COMPUTATION OF LESSER OF  
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGESProvider Name:  
KINDRED HOSPITAL - LA MIRADAFiscal Period Ended:  
AUGUST 31, 2009Provider NPI:  
1033294723

|  | REPORTED            | AUDITED             |
|--|---------------------|---------------------|
| <b>REASONABLE COST OF MEDI-CAL INPATIENT SERVICES</b>                          |                     |                     |
| 1. Cost of Covered Services (Schedule 3)                                       | \$ <u>765,892</u>   | \$ <u>1,255,050</u> |
| <b>CHARGES FOR MEDI-CAL INPATIENT SERVICES</b>                                 |                     |                     |
| 2. Inpatient Routine Service Charges (Adj 5, 9)                                | \$ <u>1,284,365</u> | \$ <u>2,059,554</u> |
| 3. Inpatient Ancillary Service Charges (Adj 5, 9)                              | \$ <u>2,762,014</u> | \$ <u>2,683,346</u> |
| 4. Total Charges - Medi-Cal Inpatient Services                                 | \$ <u>4,046,379</u> | \$ <u>4,742,900</u> |
| 5. Excess of Customary Charges Over Reasonable Cost<br>(Line 4 minus Line 1) * | \$ <u>3,280,487</u> | \$ <u>3,487,850</u> |
| 6. Excess of Reasonable Cost Over Customary Charges<br>(Line 1 minus Line 4)   | \$ <u>0</u>         | \$ <u>0</u>         |
|  | (To Schedule 1)     |                     |

\* If charges exceed reasonable cost, no further calculation necessary for this schedule.



COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:  
KINDRED HOSPITAL - LA MIRADAFiscal Period Ended:  
AUGUST 31, 2009Provider NPI:  
1033294723

## GENERAL SERVICE UNIT NET OF SWING-BED COSTS

|  | REPORTED | AUDITED |
|--|----------|---------|
| <b>INPATIENT DAYS</b>  |          |         |
| 1. Total Inpatient Days (include private & swing-bed) (Adj ) | 59,944   | 59,944  |
| 2. Inpatient Days (include private, exclude swing-bed)       | 59,944   | 59,944  |
| 3. Private Room Days (exclude swing-bed private room) (Adj ) | 0        | 0       |
| 4. Semi-Private Room Days (exclude swing-bed) (Adj )         | 59,944   | 59,944  |
| 5. Medicare NF Swing-Bed Days through Dec 31 (Adj )          | 0        | 0       |
| 6. Medicare NF Swing-Bed Days after Dec 31 (Adj )            | 0        | 0       |
| 7. Medi-Cal NF Swing-Bed Days through July 31 (Adj )         | 0        | 0       |
| 8. Medi-Cal NF Swing-Bed Days after July 31 (Adj )           | 0        | 0       |
| 9. Medi-Cal Days (excluding swing-bed) (Adj 3, 11)           | 466      | 994     |

## SWING-BED ADJUSTMENT

|   |               |               |
|---|---------------|---------------|
| 17. Medicare NF Swing-Bed Rates through Dec 31 (Adj )         | \$ 0.00       | \$ 0.00       |
| 18. Medicare NF Swing-Bed Rates after Dec 31 (Adj )           | \$ 0.00       | \$ 0.00       |
| 19. Medi-Cal NF Swing-Bed Rates through July 31 (Adj )        | \$ 0.00       | \$ 0.00       |
| 20. Medi-Cal NF Swing-Bed Rates after July 31 (Adj )          | \$ 0.00       | \$ 0.00       |
| 21. Total Routine Serv Cost (Sch 8, Line 25, Col 27)          | \$ 34,646,229 | \$ 34,697,113 |
| 22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)    | \$ 0          | \$ 0          |
| 23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)      | \$ 0          | \$ 0          |
| 24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)   | \$ 0          | \$ 0          |
| 25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)     | \$ 0          | \$ 0          |
| 26. Total Swing-Bed Cost (Sum of Lines 22 to 25)              | \$ 0          | \$ 0          |
| 27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26) | \$ 34,646,229 | \$ 34,697,113 |

## PRIVATE ROOM DIFFERENTIAL ADJUSTMENT

|  |                |                |
|--|----------------|----------------|
| 28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)      | \$ 113,305,568 | \$ 113,305,568 |
| 29. Private Room Charges (excluding swing-bed charges)               | \$ 0           | \$ 0           |
| 30. Semi-Private Room Charges (excluding swing-bed charges)          | \$ 113,305,568 | \$ 113,305,568 |
| 31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)    | \$ 0.305777    | \$ 0.306226    |
| 32. Average Private Room Per Diem Charge (L 29 / L 3)                | \$ 0.00        | \$ 0.00        |
| 33. Average Semi-Private Room Per Diem Charge (L 30 / L 4)           | \$ 1,890.19    | \$ 1,890.19    |
| 34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)     | \$ 0.00        | \$ 0.00        |
| 35. Average Per Diem Private Room Cost Differential (L 31 x L 34)    | \$ 0.00        | \$ 0.00        |
| 36. Private Room Cost Differential Adjustment (L 35 x L 3)           | \$ 0           | \$ 0           |
| 37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36) | \$ 34,646,229  | \$ 34,697,113  |

## PROGRAM INPATIENT OPERATING COST

|   |            |            |
|---|------------|------------|
| 38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2) | \$ 577.98  | \$ 578.83  |
| 39. Program General Inpatient Routine Service Cost (L 9 x L 38)   | \$ 269,339 | \$ 575,357 |
| 40. Cost Applicable to Medi-Cal (Sch 4A)                          | \$ 95,239  | \$ 260,797 |
| 41. Cost Applicable to Medi-Cal (Sch 4B)                          | \$ 0       | \$ 0       |
| 42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39,40 & 41)         | \$ 364,578 | \$ 836,154 |

( To Schedule 3 )

COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COSTProvider Name:  
KINDRED HOSPITAL - LA MIRADAFiscal Period Ended:  
AUGUST 31, 2009Provider NPI:  
1033294723

|  | REPORTED     | AUDITED      |
|--|--------------|--------------|
| <b>SPECIAL CARE AND/OR NURSERY UNITS</b>                     |              |              |
| <b>NURSERY</b>   |              |              |
| 1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)     | \$ 0         | \$ 0         |
| 2. Total Inpatient Days (Adj )                               | 0            | 0            |
| 3. Average Per Diem Cost                                     | \$ 0.00      | \$ 0.00      |
| 4. Medi-Cal Inpatient Days (Adj )                            | 0            | 0            |
| 5. Cost Applicable to Medi-Cal                               | \$ 0         | \$ 0         |
| <b>INTENSIVE CARE UNIT</b>                                   |              |              |
| 6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)     | \$ 7,099,850 | \$ 7,100,391 |
| 7. Total Inpatient Days (Adj )                               | 5,442        | 5,442        |
| 8. Average Per Diem Cost                                     | \$ 1,304.64  | \$ 1,304.74  |
| 9. Medi-Cal Inpatient Days (Adj 3)                           | 73           | 191          |
| 10. Cost Applicable to Medi-Cal                              | \$ 95,239    | \$ 249,205   |
| <b>CORONARY CARE UNIT</b>                                    |              |              |
| 11. Total Inpatient Routine Cost (Sch 8, Line 27, Col 27)    | \$ 0         | \$ 0         |
| 12. Total Inpatient Days (Adj )                              | 0            | 0            |
| 13. Average Per Diem Cost                                    | \$ 0.00      | \$ 0.00      |
| 14. Medi-Cal Inpatient Days (Adj )                           | 0            | 0            |
| 15. Cost Applicable to Medi-Cal                              | \$ 0         | \$ 0         |
| <b>NEONATAL INTENSIVE CARE UNIT</b>                          |              |              |
| 16. Total Inpatient Routine Cost (Sch 8, Line 28, Col 27)    | \$ 0         | \$ 0         |
| 17. Total Inpatient Days (Adj )                              | 0            | 0            |
| 18. Average Per Diem Cost                                    | \$ 0.00      | \$ 0.00      |
| 19. Medi-Cal Inpatient Days (Adj )                           | 0            | 0            |
| 20. Cost Applicable to Medi-Cal                              | \$ 0         | \$ 0         |
| <b>SURGICAL INTENSIVE CARE UNIT</b>                          |              |              |
| 21. Total Inpatient Routine Cost (Sch 8, Line 29, Col 27)    | \$ 0         | \$ 0         |
| 22. Total Inpatient Days (Adj )                              | 0            | 0            |
| 23. Average Per Diem Cost                                    | \$ 0.00      | \$ 0.00      |
| 24. Medi-Cal Inpatient Days (Adj )                           | 0            | 0            |
| 25. Cost Applicable to Medi-Cal                              | \$ 0         | \$ 0         |
| <b>ADMINISTRATIVE DAYS</b>                                   |              |              |
| 26. Per Diem Rate (Adj 7)                                    | \$ 0.00      | \$ 351.26    |
| 27. Medi-Cal Inpatient Days (Adj 7)                          | 0            | 33           |
| 28. Cost Applicable to Medi-Cal                              | \$ 0         | \$ 11,592    |
| <b>ADMINISTRATIVE DAYS</b>                                   |              |              |
| 29. Per Diem Rate (Adj )                                     | \$ 0.00      | \$ 0.00      |
| 30. Medi-Cal Inpatient Days (Adj )                           | 0            | 0            |
| 31. Cost Applicable to Medi-Cal                              | \$ 0         | \$ 0         |
| 32. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,28,31) | \$ 95,239    | \$ 260,797   |

(To Schedule 4)

COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COST

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

Provider NPI:  
1033294723

| SPECIAL CARE UNITS  | REPORTED | AUDITED |
|---|----------|---------|
| 1. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)  | \$ 0     | \$ 0    |
| 2. Total Inpatient Days (Adj )                              | 0        | 0       |
| 3. Average Per Diem Cost                                    | \$ 0.00  | \$ 0.00 |
| 4. Medi-Cal Inpatient Days (Adj )                           | 0        | 0       |
| 5. Cost Applicable to Medi-Cal                              | \$ 0     | \$ 0    |
| 6. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)  | \$ 0     | \$ 0    |
| 7. Total Inpatient Days (Adj )                              | 0        | 0       |
| 8. Average Per Diem Cost                                    | \$ 0.00  | \$ 0.00 |
| 9. Medi-Cal Inpatient Days (Adj )                           | 0        | 0       |
| 10. Cost Applicable to Medi-Cal                             | \$ 0     | \$ 0    |
| 11. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27) | \$ 0     | \$ 0    |
| 12. Total Inpatient Days (Adj )                             | 0        | 0       |
| 13. Average Per Diem Cost                                   | \$ 0.00  | \$ 0.00 |
| 14. Medi-Cal Inpatient Days (Adj )                          | 0        | 0       |
| 15. Cost Applicable to Medi-Cal                             | \$ 0     | \$ 0    |
| 16. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27) | \$ 0     | \$ 0    |
| 17. Total Inpatient Days (Adj )                             | 0        | 0       |
| 18. Average Per Diem Cost                                   | \$ 0.00  | \$ 0.00 |
| 19. Medi-Cal Inpatient Days (Adj )                          | 0        | 0       |
| 20. Cost Applicable to Medi-Cal                             | \$ 0     | \$ 0    |
| 21. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27) | \$ 0     | \$ 0    |
| 22. Total Inpatient Days (Adj )                             | 0        | 0       |
| 23. Average Per Diem Cost                                   | \$ 0.00  | \$ 0.00 |
| 24. Medi-Cal Inpatient Days (Adj )                          | 0        | 0       |
| 25. Cost Applicable to Medi-Cal                             | \$ 0     | \$ 0    |
| 0   |          |         |
| 26. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27) | \$ 0     | \$ 0    |
| 27. Total Inpatient Days (Adj )                             | 0        | 0       |
| 28. Average Per Diem Cost                                   | \$ 0.00  | \$ 0.00 |
| 29. Medi-Cal Inpatient Days (Adj )                          | 0        | 0       |
| 30. Cost Applicable to Medi-Cal                             | \$ 0     | \$ 0    |
| 31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)   | \$ 0     | \$ 0    |

(To Schedule 4)



ADJUSTMENTS TO MEDI-CAL CHARGES

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

Provider NPI:  
1033294723

| ANCILLARY CHARGES                |                                      | REPORTED     | ADJUSTMENTS<br>(Adj 4, 8) | AUDITED      |
|----------------------------------|--------------------------------------|--------------|---------------------------|--------------|
| 37.00                            | Operating Room                       | \$ 21,835    | \$ 29,615                 | \$ 51,450    |
| 38.00                            | Recovery Room                        |              |                           | 0            |
| 39.00                            | Delivery Room and Labor Room         |              |                           | 0            |
| 40.00                            | Anesthesiology                       |              |                           | 0            |
| 41.00                            | Radiology - Diagnostic               | 39,582       | 22,102                    | 61,684       |
| 41.01                            |                                      |              |                           | 0            |
| 41.02                            |                                      |              |                           | 0            |
| 42.00                            | Radiology - Therapeutic              |              |                           | 0            |
| 43.00                            | Radioisotope                         |              |                           | 0            |
| 44.00                            | Laboratory                           | 234,728      | (8,788)                   | 225,940      |
| 44.01                            | Pathological Lab                     |              |                           | 0            |
| 46.00                            | Whole Blood                          |              |                           | 0            |
| 47.00                            | Blood Storing and Processing         |              |                           | 0            |
| 48.00                            | Intravenous Therapy                  |              |                           | 0            |
| 49.00                            | Respiratory Therapy                  | 1,425,240    | (65,542)                  | 1,359,698    |
| 50.00                            | Physical Therapy                     | 3,458        | 4,462                     | 7,920        |
| 51.00                            | Occupational Therapy                 |              |                           | 0            |
| 52.00                            | Speech Pathology                     |              |                           | 0            |
| 53.00                            | Electrocardiology                    |              |                           | 0            |
| 54.00                            | Electroencephalography               |              |                           | 0            |
| 55.00                            | Medical Supplies Charged to Patients | 232,252      | (20,069)                  | 212,183      |
| 56.00                            | Drugs Charged to Patients            | 694,019      | (51,498)                  | 642,521      |
| 57.00                            | Renal Dialysis                       | 110,900      | 11,050                    | 121,950      |
| 58.00                            | ASC (Non-Distinct Part)              |              |                           | 0            |
| 59.00                            |                                      |              |                           | 0            |
| 59.01                            |                                      |              |                           | 0            |
| 59.02                            |                                      |              |                           | 0            |
| 59.03                            |                                      |              |                           | 0            |
| 60.00                            | Clinic                               |              |                           | 0            |
| 60.01                            | Other Clinic Services                |              |                           | 0            |
| 61.00                            | Emergency                            |              |                           | 0            |
| 62.00                            | Observation Beds                     |              |                           | 0            |
| 71.00                            |                                      |              |                           | 0            |
| 82.00                            |                                      |              |                           | 0            |
| 83.00                            |                                      |              |                           | 0            |
| 84.00                            |                                      |              |                           | 0            |
| 85.00                            |                                      |              |                           | 0            |
| 86.00                            |                                      |              |                           | 0            |
| TOTAL MEDI-CAL ANCILLARY CHARGES |                                      | \$ 2,762,014 | \$ (78,668)               | \$ 2,683,346 |

(To Schedule 5)









Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

|                                     | TRIAL BALANCE EXPENSES               | ALLOC COST 4.08 | EMPLOYEE BENEFITS 5.00 | ALLOC COST 6.01 | ALLOC COST 6.02 | ALLOC COST 6.03 | ALLOC COST 6.04 | ALLOC COST 6.05 | ALLOC COST 6.06 | ALLOC COST 6.07 | ALLOC COST 6.08 | ACCUMULATE COST   | ADMINISTRATIVE & GENERAL 6.00 |
|-------------------------------------|--------------------------------------|-----------------|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------------------|
| <b>ANCILLARY COST CENTERS</b>       |                                      |                 |                        |                 |                 |                 |                 |                 |                 |                 |                 |                   |                               |
| 37.00                               | Operating Room                       | 0               | 70,054                 | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 1,026,387         | 153,071                       |
| 38.00                               | Recovery Room                        | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 39.00                               | Delivery Room and Labor Room         | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 40.00                               | Anesthesiology                       | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 41.00                               | Radiology - Diagnostic               | 0               | 72,840                 | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 1,418,538         | 211,555                       |
| 41.01                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 41.02                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 42.00                               | Radiology - Therapeutic              | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 43.00                               | Radioisotope                         | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 44.00                               | Laboratory                           | 0               | 166,966                | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 2,877,388         | 429,123                       |
| 44.01                               | Pathological Lab                     | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 46.00                               | Whole Blood                          | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 47.00                               | Blood Storing and Processing         | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 48.00                               | Intravenous Therapy                  | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 49.00                               | Respiratory Therapy                  | 0               | 622,621                | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 4,904,703         | 731,469                       |
| 50.00                               | Physical Therapy                     | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 3,549,658         | 529,382                       |
| 51.00                               | Occupational Therapy                 | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 52.00                               | Speech Pathology                     | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 53.00                               | Electrocardiology                    | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 54.00                               | Electroencephalography               | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 55.00                               | Medical Supplies Charged to Patients | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 665,472           | 99,246                        |
| 56.00                               | Drugs Charged to Patients            | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 5,713,812         | 852,136                       |
| 57.00                               | Renal Dialysis                       | 0               | 202,300                | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 1,608,457         | 239,879                       |
| 58.00                               | ASC (Non-Distinct Part)              | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 59.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 59.01                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 59.02                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 59.03                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 60.00                               | Clinic                               | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 60.01                               | Other Clinic Services                | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 61.00                               | Emergency                            | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 62.00                               | Observation Beds                     | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 71.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 82.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 83.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 84.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 85.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 86.00                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| <b>NONREIMBURSABLE COST CENTER:</b> |                                      |                 |                        |                 |                 |                 |                 |                 |                 |                 |                 |                   |                               |
| 96.00                               | Gift, Flower, Coffee Shop & Canteen  | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 97.00                               | Research                             | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 98.00                               | Physicians' Private Office           | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 99.00                               | Nonpaid Workers                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 99.01                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 99.02                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 99.03                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 99.04                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 99.05                               |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 100.00                              | Non-Allowable Case Manager           | 0               | 7,941                  | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 62,516            | 9,323                         |
| 100.01                              | Guest Meals                          | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 100.02                              |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 100.03                              |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| 100.04                              |                                      | 0               | 0                      | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0               | 0                 | 0                             |
| <b>TOTAL</b>                        |                                      | <b>0</b>        | <b>6,113,897</b>       | <b>0</b>        | <b>74,259,534</b> | <b>9,637,485</b>              |



Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

| TRIAL BALANCE EXPENSES                     | MAINT & REPAIRS<br>7.00 | OPER PLANT<br>8.00 | LAUNDRY & LINEN<br>9.00 | HOUSEKEEP<br>10.00 | DIETARY<br>11.00 | CAFE<br>12.00    | MAINT OF PERSONNEL<br>13.00 | NURSING ADMIN<br>14.00 | CENTRAL SERVICE & SUPPLY<br>15.00 | PHARMACY<br>16.00 | MEDICAL RECORDS & LIBRARY<br>17.00 | SOCIAL SERVICE<br>18.00 |
|--|-------------------------|--------------------|-------------------------|--------------------|------------------|------------------|-----------------------------|------------------------|-----------------------------------|-------------------|------------------------------------|-------------------------|
| <b>ANCILLARY COST CENTERS</b>              |                         |                    |                         |                    |                  |                  |                             |                        |                                   |                   |                                    |                         |
| 37.00 Operating Room                       | 119,980                 | 379,424            | 0                       | 125,439            | 0                | 15,247           | 0                           | 60,103                 | 25,360                            | 585               | 18,294                             | 0                       |
| 38.00 Recovery Room                        | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 39.00 Delivery Room and Labor Room         | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 40.00 Anesthesiology                       | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 41.00 Radiology - Diagnostic               | 55,771                  | 176,370            | 0                       | 58,309             | 0                | 12,706           | 0                           | 0                      | 1,263                             | 0                 | 42,828                             | 0                       |
| 41.01                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 41.02                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 42.00 Radiology - Therapeutic              | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 43.00 Radioisotope                         | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 44.00 Laboratory                           | 26,291                  | 83,143             | 0                       | 27,487             | 0                | 43,199           | 0                           | 0                      | 224,241                           | 2,541             | 139,270                            | 0                       |
| 44.01 Pathological Lab                     | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 46.00 Whole Blood                          | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 47.00 Blood Storing and Processing         | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 48.00 Intravenous Therapy                  | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 49.00 Respiratory Therapy                  | 17,283                  | 54,656             | 0                       | 18,069             | 0                | 129,597          | 0                           | 0                      | 161,163                           | 0                 | 466,040                            | 0                       |
| 50.00 Physical Therapy                     | 34,112                  | 107,876            | 0                       | 35,664             | 0                | 0                | 0                           | 0                      | 10,990                            | 0                 | 63,161                             | 0                       |
| 51.00 Occupational Therapy                 | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 52.00 Speech Pathology                     | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 53.00 Electrocardiology                    | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 54.00 Electroencephalography               | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 55.00 Medical Supplies Charged to Patients | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 326,764                           | 0                 | 104,833                            | 0                       |
| 56.00 Drugs Charged to Patients            | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 3,410,715         | 448,631                            | 0                       |
| 57.00 Renal Dialysis                       | 15,398                  | 48,693             | 0                       | 16,098             | 0                | 27,952           | 0                           | 110,189                | 49,196                            | 0                 | 36,954                             | 0                       |
| 58.00 ASC (Non-Distinct Part)              | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 59.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 59.01                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 59.02                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 59.03                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 60.00 Clinic                               | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 60.01 Other Clinic Services                | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 61.00 Emergency                            | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 62.00 Observation Beds                     | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 71.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 82.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 83.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 84.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 85.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 86.00                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| <b>NONREIMBURSABLE COST CENTER:</b>        |                         |                    |                         |                    |                  |                  |                             |                        |                                   |                   |                                    |                         |
| 96.00 Gift, Flower, Coffee Shop & Canteen  | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 97.00 Research                             | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 98.00 Physicians' Private Office           | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 99.00 Nonpaid Workers                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 99.01                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 99.02                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 99.03                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 99.04                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 99.05                                      | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 100.00 Non-Allowable Case Manager          | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 100.01 Guest Meals                         | 0                       | 0                  | 0                       | 0                  | 48,029           | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 100.02                                     | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 100.03                                     | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| 100.04                                     | 0                       | 0                  | 0                       | 0                  | 0                | 0                | 0                           | 0                      | 0                                 | 0                 | 0                                  | 0                       |
| <b>TOTAL</b>                               | <b>1,530,605</b>        | <b>3,279,851</b>   | <b>934,884</b>          | <b>1,036,271</b>   | <b>2,560,706</b> | <b>1,171,456</b> | <b>0</b>                    | <b>3,295,647</b>       | <b>1,402,247</b>                  | <b>3,508,130</b>  | <b>2,288,324</b>                   | <b>1,742,985</b>        |



Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

| TRIAL BALANCE EXPENSES                     | ALLOC COST 19.00 | ALLOC COST 19.02 | ALLOC COST 19.03 | NON-PHYSICIAN ANESTH 20.00 | NURSING SCHOOL 21.00 | INT & RES SALARY & FRINGES 22.00 | INT & RES PROGRAM 23.00 | PARAMED EDUCAT 24.00 | SUBTOTAL 25.00    | POST                       | TOTAL COST 27.00  |
|--|------------------|------------------|------------------|----------------------------|----------------------|----------------------------------|-------------------------|----------------------|-------------------|----------------------------|-------------------|
|  |                  |                  |                  |                            |                      |                                  |                         |                      |                   | STEP-DOWN ADJUSTMENT 26.00 |                   |
| <b>ANCILLARY COST CENTERS</b>              |                  |                  |                  |                            |                      |                                  |                         |                      |                   |                            |                   |
| 37.00 Operating Room                       | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 1,923,890         |                            | 1,923,890         |
| 38.00 Recovery Room                        | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 39.00 Delivery Room and Labor Room         | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 40.00 Anesthesiology                       | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 41.00 Radiology - Diagnostic               | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 1,977,340         |                            | 1,977,340         |
| 41.01                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 41.02                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 42.00 Radiology - Therapeutic              | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 43.00 Radioisotope                         | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 44.00 Laboratory                           | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 3,852,683         |                            | 3,852,683         |
| 44.01 Pathological Lab                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 46.00 Whole Blood                          | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 47.00 Blood Storing and Processing         | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 48.00 Intravenous Therapy                  | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 49.00 Respiratory Therapy                  | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 6,482,979         |                            | 6,482,979         |
| 50.00 Physical Therapy                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 4,330,844         |                            | 4,330,844         |
| 51.00 Occupational Therapy                 | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 52.00 Speech Pathology                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 53.00 Electrocardiology                    | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 54.00 Electroencephalography               | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 55.00 Medical Supplies Charged to Patients | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 1,196,316         |                            | 1,196,316         |
| 56.00 Drugs Charged to Patients            | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 10,425,294        |                            | 10,425,294        |
| 57.00 Renal Dialysis                       | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 2,152,816         |                            | 2,152,816         |
| 58.00 ASC (Non-Distinct Part)              | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 59.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 59.01                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 59.02                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 59.03                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 60.00 Clinic                               | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 60.01 Other Clinic Services                | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 61.00 Emergency                            | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 62.00 Observation Beds                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 71.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 82.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 83.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 84.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 85.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 86.00                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| <b>NONREIMBURSABLE COST CENTER:</b>        |                  |                  |                  |                            |                      |                                  |                         |                      |                   |                            |                   |
| 96.00 Gift, Flower, Coffee Shop & Canteen  | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 97.00 Research                             | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 98.00 Physicians' Private Office           | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 99.00 Nonpaid Workers                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 99.01                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 99.02                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 99.03                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 99.04                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 99.05                                      | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 100.00 Non-Allowable Case Manager          | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 71,839            |                            | 71,839            |
| 100.01 Guest Meals                         | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 48,029            |                            | 48,029            |
| 100.02                                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 100.03                                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| 100.04                                     | 0                | 0                | 0                | 0                          | 0                    | 0                                | 0                       | 0                    | 0                 |                            | 0                 |
| <b>TOTAL</b>                               | <u>0</u>         | <u>0</u>         | <u>0</u>         | <u>0</u>                   | <u>0</u>             | <u>0</u>                         | <u>0</u>                | <u>0</u>             | <u>74,259,534</u> | <u>0</u>                   | <u>74,259,534</u> |







STATE OF CALIFORNIA

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

SCHEDULE 9.1

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

|                                     | EMP BENE<br>(GROSS<br>SALARIES)      | STAT          | STAT     | ADM & GEN<br>(ACCUM<br>COST) | MAINT &<br>REPAIRS<br>(SQ FT) |
|-------------------------------------|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------|------------------------------|-------------------------------|
|                                     | 5.00<br>(Adj)                        | 6.01<br>(Adj) | 6.02<br>(Adj) | 6.03<br>(Adj) | 6.04<br>(Adj) | 6.05<br>(Adj) | 6.06<br>(Adj) | 6.07<br>(Adj) | 6.08<br>(Adj) |          |                              | 7.00<br>(Adj)                 |
| <b>ANCILLARY COST CENTERS</b>       |                                      |               |               |               |               |               |               |               |               |          |                              |                               |
| 37.00                               | Operating Room                       | 418,432       |               |               |               |               |               |               |               |          | 1,026,387                    | 10,309                        |
| 38.00                               | Recovery Room                        |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 39.00                               | Delivery Room and Labor Room         |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 40.00                               | Anesthesiology                       |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 41.00                               | Radiology - Diagnostic               | 435,071       |               |               |               |               |               |               |               |          | 1,418,538                    | 4,792                         |
| 41.01                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 41.02                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 42.00                               | Radiology - Therapeutic              |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 43.00                               | Radioisotope                         |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 44.00                               | Laboratory                           | 997,292       |               |               |               |               |               |               |               |          | 2,877,388                    | 2,259                         |
| 44.01                               | Pathological Lab                     |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 46.00                               | Whole Blood                          |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 47.00                               | Blood Storing and Processing         |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 48.00                               | Intravenous Therapy                  |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 49.00                               | Respiratory Therapy                  | 3,718,920     |               |               |               |               |               |               |               |          | 4,904,703                    | 1,485                         |
| 50.00                               | Physical Therapy                     |               |               |               |               |               |               |               |               |          | 3,549,658                    | 2,931                         |
| 51.00                               | Occupational Therapy                 |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 52.00                               | Speech Pathology                     |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 53.00                               | Electrocardiology                    |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 54.00                               | Electroencephalography               |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 55.00                               | Medical Supplies Charged to Patients |               |               |               |               |               |               |               |               |          | 665,472                      |                               |
| 56.00                               | Drugs Charged to Patients            |               |               |               |               |               |               |               |               |          | 5,713,812                    |                               |
| 57.00                               | Renal Dialysis                       | 1,208,338     |               |               |               |               |               |               |               |          | 1,608,457                    | 1,323                         |
| 58.00                               | ASC (Non-Distinct Part)              |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 59.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 59.01                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 59.02                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 59.03                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 60.00                               | Clinic                               |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 60.01                               | Other Clinic Services                |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 61.00                               | Emergency                            |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 62.00                               | Observation Beds                     |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 71.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 82.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 83.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 84.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 85.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 86.00                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| <b>NONREIMBURSABLE COST CENTERS</b> |                                      |               |               |               |               |               |               |               |               |          |                              |                               |
| 96.00                               | Gift, Flower, Coffee Shop & Canteen  |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 97.00                               | Research                             |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 98.00                               | Physicians' Private Office           |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 99.00                               | Nonpaid Workers                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 99.01                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 99.02                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 99.03                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 99.04                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 99.05                               |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 100.00                              | Non-Allowable Case Manager           | 47,432        |               |               |               |               |               |               |               |          | 62,516                       |                               |
| 100.01                              | Guest Meals                          |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 100.02                              |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 100.03                              |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| 100.04                              |                                      |               |               |               |               |               |               |               |               |          | 0                            |                               |
| TOTAL                               | 36,518,351                           | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0        | 64,622,049                   | 131,514                       |
| COST TO BE ALLOCATED                | 6,113,897                            | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0        | 9,637,485                    | 1,530,605                     |
| UNIT COST MULTIPLIER - SCH 8        | 0.167420                             | 0.000000      | 0.000000      | 0.000000      | 0.000000      | 0.000000      | 0.000000      | 0.000000      | 0.000000      | 0.000000 | 0.149136                     | 11.638342                     |



Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

|                                     | OPER PLANT (SQ FT)                   | LAUNDRY & LINEN (PT DAYS) | HOUSE-KEEPING (SQ FT) | DIETARY (MEALS SERVED) | CAFETERIA (LABOR HOURS) | MAINT OF PERSONNEL (# HOUSED) | NURSING ADMIN (NURSE HR) | CENT SERV & SUPPLY (CST REQ) | PHARMACY (COSTS REQUIS) | MED REC (GROSS REVENUE) | SOC SERV (PATIENT DAYS) | STAT     |
|-------------------------------------|--------------------------------------|---------------------------|-----------------------|------------------------|-------------------------|-------------------------------|--------------------------|------------------------------|-------------------------|-------------------------|-------------------------|----------|
|                                     | 8.00                                 | 9.00                      | 10.00                 | 11.00                  | 12.00                   | 13.00                         | 14.00                    | 15.00                        | 16.00                   | 17.00                   | 18.00                   | 19.00    |
|                                     | (Adj)                                | (Adj)                     | (Adj)                 | (Adj)                  | (Adj)                   | (Adj)                         | (Adj)                    | (Adj)                        | (Adj)                   | (Adj)                   | (Adj)                   | (Adj)    |
| <b>ANCILLARY COST CENTERS</b>       |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 37.00                               | Operating Room                       | 10,309                    | 10,309                |                        | 6                       |                               | 6                        | 54,301                       | 980                     | 2,551,464               |                         |          |
| 38.00                               | Recovery Room                        |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 39.00                               | Delivery Room and Labor Room         |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 40.00                               | Anesthesiology                       |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 41.00                               | Radiology - Diagnostic               | 4,792                     | 4,792                 |                        | 5                       |                               |                          | 2,705                        |                         | 5,973,161               |                         |          |
| 41.01                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 41.02                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 42.00                               | Radiology - Therapeutic              |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 43.00                               | Radioisotope                         |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 44.00                               | Laboratory                           | 2,259                     | 2,259                 |                        | 17                      |                               |                          | 480,147                      | 4,256                   | 19,423,939              |                         |          |
| 44.01                               | Pathological Lab                     |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 46.00                               | Whole Blood                          |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 47.00                               | Blood Storing and Processing         |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 48.00                               | Intravenous Therapy                  |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 49.00                               | Respiratory Therapy                  | 1,485                     | 1,485                 |                        | 51                      |                               |                          | 345,082                      |                         | 64,998,335              |                         |          |
| 50.00                               | Physical Therapy                     | 2,931                     | 2,931                 |                        |                         |                               |                          | 23,532                       |                         | 8,809,096               |                         |          |
| 51.00                               | Occupational Therapy                 |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 52.00                               | Speech Pathology                     |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 53.00                               | Electrocardiology                    |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 54.00                               | Electroencephalography               |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 55.00                               | Medical Supplies Charged to Patients |                           |                       |                        |                         |                               |                          | 699,669                      |                         | 14,621,070              |                         |          |
| 56.00                               | Drugs Charged to Patients            |                           |                       |                        |                         |                               |                          |                              | 5,713,813               | 62,570,410              |                         |          |
| 57.00                               | Renal Dialysis                       | 1,323                     | 1,323                 |                        | 11                      |                               | 11                       | 105,338                      |                         | 5,153,950               |                         |          |
| 58.00                               | ASC (Non-Distinct Part)              |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 59.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 59.01                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 59.02                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 59.03                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 60.00                               | Clinic                               |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 60.01                               | Other Clinic Services                |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 61.00                               | Emergency                            |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 62.00                               | Observation Beds                     |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 71.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 82.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 83.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 84.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 85.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 86.00                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| <b>NONREIMBURSABLE COST CENTERS</b> |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 96.00                               | Gift, Flower, Coffee Shop & Canteen  |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 97.00                               | Research                             |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 98.00                               | Physicians' Private Office           |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 99.00                               | Nonpaid Workers                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 99.01                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 99.02                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 99.03                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 99.04                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 99.05                               |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 100.00                              | Non-Allowable Case Manager           |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 100.01                              | Guest Meals                          |                           |                       | 4,287                  |                         |                               |                          |                              |                         |                         |                         |          |
| 100.02                              |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 100.03                              |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| 100.04                              |                                      |                           |                       |                        |                         |                               |                          |                              |                         |                         |                         |          |
| TOTAL                               | 89,114                               | 65,386                    | 85,164                | 228,566                | 461                     | 0                             | 329                      | 3,002,498                    | 5,877,008               | 319,151,533             | 65,386                  | 0        |
| COST TO BE ALLOCATED                | 3,279,851                            | 934,884                   | 1,036,271             | 2,560,706              | 1,171,456               | 0                             | 3,295,647                | 1,402,247                    | 3,508,130               | 2,288,324               | 1,742,985               | 0        |
| UNIT COST MULTIPLIER - SCH 8        | 36.805111                            | 14.297921                 | 12.167949             | 11.203353              | 2541.120349             | 0.000000                      | #####                    | 0.467027                     | 0.596924                | 0.007170                | 26.656851               | 0.000000 |

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

| STAT                                  | STAT                                  | NONPHY<br>ANESTH<br>(ASG TIME) | NURSE<br>SCHOOL<br>(ASG TIME) | I&R-SAL<br>& FRINGES<br>(ASG TIME) | I&R-PRG<br>COST<br>(ASG TIME) | PARAMED<br>EDUCAT<br>(ASG TIME) |
|---------------------------------------|---------------------------------------|--------------------------------|-------------------------------|------------------------------------|-------------------------------|---------------------------------|
| 19.02<br>(Adj)<br>(Adj)               | 19.03<br>(Adj)<br>(Adj)               | 20.00<br>(Adj)<br>(Adj)        | 21.00<br>(Adj)<br>(Adj)       | 22.00<br>(Adj)<br>(Adj)            | 23.00<br>(Adj)<br>(Adj)       | 24.00<br>(Adj)<br>(Adj)         |
| <b>GENERAL SERVICE COST CENTERS</b>   |                                       |                                |                               |                                    |                               |                                 |
| 1.00                                  | Old Cap Rel Costs-Bldg & Fixtures     |                                |                               |                                    |                               |                                 |
| 2.00                                  | Old Cap Rel Costs-Movable Equipment   |                                |                               |                                    |                               |                                 |
| 3.00                                  | New Cap Rel Costs-Bldg & Fixtures     |                                |                               |                                    |                               |                                 |
| 4.00                                  | New Cap Rel Costs-Movable Equipment   |                                |                               |                                    |                               |                                 |
| 4.01                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.02                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.03                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.04                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.05                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.06                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.07                                  |                                       |                                |                               |                                    |                               |                                 |
| 4.08                                  |                                       |                                |                               |                                    |                               |                                 |
| 5.00                                  | Employee Benefits                     |                                |                               |                                    |                               |                                 |
| 6.01                                  | Non-Patient Telephones                |                                |                               |                                    |                               |                                 |
| 6.02                                  | Data Processing                       |                                |                               |                                    |                               |                                 |
| 6.03                                  | Purchasing/Receiving                  |                                |                               |                                    |                               |                                 |
| 6.04                                  | Patient Admitting                     |                                |                               |                                    |                               |                                 |
| 6.05                                  | Patient Business Office               |                                |                               |                                    |                               |                                 |
| 6.06                                  |                                       |                                |                               |                                    |                               |                                 |
| 6.07                                  |                                       |                                |                               |                                    |                               |                                 |
| 6.08                                  |                                       |                                |                               |                                    |                               |                                 |
| 6.00                                  | Administrative and General            |                                |                               |                                    |                               |                                 |
| 7.00                                  | Maintenance and Repairs               |                                |                               |                                    |                               |                                 |
| 8.00                                  | Operation of Plant                    |                                |                               |                                    |                               |                                 |
| 9.00                                  | Laundry and Linen Service             |                                |                               |                                    |                               |                                 |
| 10.00                                 | Housekeeping                          |                                |                               |                                    |                               |                                 |
| 11.00                                 | Dietary                               |                                |                               |                                    |                               |                                 |
| 12.00                                 | Cafeteria                             |                                |                               |                                    |                               |                                 |
| 13.00                                 | Maintenance of Personnel              |                                |                               |                                    |                               |                                 |
| 14.00                                 | Nursing Administration                |                                |                               |                                    |                               |                                 |
| 15.00                                 | Central Services & Supply             |                                |                               |                                    |                               |                                 |
| 16.00                                 | Pharmacy                              |                                |                               |                                    |                               |                                 |
| 17.00                                 | Medical Records and Library           |                                |                               |                                    |                               |                                 |
| 18.00                                 | Social Service                        |                                |                               |                                    |                               |                                 |
| 19.00                                 |                                       |                                |                               |                                    |                               |                                 |
| 19.02                                 |                                       |                                |                               |                                    |                               |                                 |
| 19.03                                 |                                       |                                |                               |                                    |                               |                                 |
| 20.00                                 |                                       |                                |                               |                                    |                               |                                 |
| 21.00                                 | Nursing School                        |                                |                               |                                    |                               |                                 |
| 22.00                                 | Intern & Res Service-Salary & Fringes |                                |                               |                                    |                               |                                 |
| 23.00                                 | Intern & Res Other Program            |                                |                               |                                    |                               |                                 |
| 24.00                                 | Paramedical Ed Program                |                                |                               |                                    |                               |                                 |
| <b>INPATIENT ROUTINE COST CENTERS</b> |                                       |                                |                               |                                    |                               |                                 |
| 25.00                                 | Adults & Pediatrics (Gen Routine)     |                                |                               |                                    |                               |                                 |
| 26.00                                 | Intensive Care Unit                   |                                |                               |                                    |                               |                                 |
| 27.00                                 | Coronary Care Unit                    |                                |                               |                                    |                               |                                 |
| 28.00                                 | Neonatal Intensive Care Unit          |                                |                               |                                    |                               |                                 |
| 29.00                                 | Surgical Intensive Care               |                                |                               |                                    |                               |                                 |
| 30.00                                 | Subprovider I                         |                                |                               |                                    |                               |                                 |
| 31.00                                 | Subprovider II                        |                                |                               |                                    |                               |                                 |
| 32.00                                 |                                       |                                |                               |                                    |                               |                                 |
| 33.00                                 | Nursery                               |                                |                               |                                    |                               |                                 |
| 34.00                                 | Medicare Certified Nursing Facility   |                                |                               |                                    |                               |                                 |
| 35.00                                 | Distinct Part Nursing Facility        |                                |                               |                                    |                               |                                 |
| 36.00                                 | Adult Subacute Care Unit              |                                |                               |                                    |                               |                                 |
| 36.01                                 | Subacute Care Unit II                 |                                |                               |                                    |                               |                                 |
| 36.02                                 | Transitional Care Unit                |                                |                               |                                    |                               |                                 |



## TRIAL BALANCE OF EXPENSES

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

|       |                                       | REPORTED   | ADJUSTMENTS<br>(From Sch 10A) | AUDITED    |
|-------|---------------------------------------|------------|-------------------------------|------------|
|       | <b>GENERAL SERVICE COST CENTERS</b>   |            |                               |            |
| 1.00  | Old Cap Rel Costs-Bldg & Fixtures     | \$         | \$ 0                          | \$ 0       |
| 2.00  | Old Cap Rel Costs-Movable Equipment   |            | 0                             | 0          |
| 3.00  | New Cap Rel Costs-Bldg & Fixtures     | 2,332,638  | 283,657                       | 2,616,295  |
| 4.00  | New Cap Rel Costs-Movable Equipment   | 1,644,815  | 189,648                       | 1,834,463  |
| 4.01  |                                       |            | 0                             | 0          |
| 4.02  |                                       |            | 0                             | 0          |
| 4.03  |                                       |            | 0                             | 0          |
| 4.04  |                                       |            | 0                             | 0          |
| 4.05  |                                       |            | 0                             | 0          |
| 4.06  |                                       |            | 0                             | 0          |
| 4.07  |                                       |            | 0                             | 0          |
| 4.08  |                                       |            | 0                             | 0          |
| 5.00  | Employee Benefits                     | 6,028,327  | 0                             | 6,028,327  |
| 6.01  | Non-Patient Telephones                |            | 0                             | 0          |
| 6.02  | Data Processing                       |            | 0                             | 0          |
| 6.03  | Purchasing/Receiving                  |            | 0                             | 0          |
| 6.04  | Patient Admitting                     |            | 0                             | 0          |
| 6.05  | Patient Business Office               |            | 0                             | 0          |
| 6.06  |                                       |            | 0                             | 0          |
| 6.07  |                                       |            | 0                             | 0          |
| 6.08  |                                       |            | 0                             | 0          |
| 6.00  | Administrative and General            | 9,034,182  | (429,590)                     | 8,604,592  |
| 7.00  | Maintenance and Repairs               | 1,165,345  | 0                             | 1,165,345  |
| 8.00  | Operation of Plant                    | 1,149,551  | 0                             | 1,149,551  |
| 9.00  | Laundry and Linen Service             | 632,335    | 0                             | 632,335    |
| 10.00 | Housekeeping                          | 711,815    | 0                             | 711,815    |
| 11.00 | Dietary                               | 1,625,688  | 0                             | 1,625,688  |
| 12.00 | Cafeteria                             |            | 0                             | 0          |
| 13.00 | Maintenance of Personnel              |            | 0                             | 0          |
| 14.00 | Nursing Administration                | 2,163,261  | 0                             | 2,163,261  |
| 15.00 | Central Services & Supply             | 534,851    | 0                             | 534,851    |
| 16.00 | Pharmacy                              | 2,816,834  | 0                             | 2,816,834  |
| 17.00 | Medical Records and Library           | 1,428,289  | 0                             | 1,428,289  |
| 18.00 | Social Service                        | 1,280,273  | 0                             | 1,280,273  |
| 19.00 |                                       |            | 0                             | 0          |
| 19.02 |                                       |            | 0                             | 0          |
| 19.03 |                                       |            | 0                             | 0          |
| 20.00 |                                       |            | 0                             | 0          |
| 21.00 | Nursing School                        |            | 0                             | 0          |
| 22.00 | Intern & Res Service-Salary & Fringes |            | 0                             | 0          |
| 23.00 | Intern & Res Other Program            |            | 0                             | 0          |
| 24.00 | Paramedical Ed Program                |            | 0                             | 0          |
|       | <b>INPATIENT ROUTINE COST CENTERS</b> |            |                               |            |
| 25.00 | Adults & Pediatrics (Gen Routine)     | 17,487,970 | 0                             | 17,487,970 |
| 26.00 | Intensive Care Unit                   | 4,167,739  | 0                             | 4,167,739  |
| 27.00 | Coronary Care Unit                    |            | 0                             | 0          |
| 28.00 | Neonatal Intensive Care Unit          |            | 0                             | 0          |
| 29.00 | Surgical Intensive Care               |            | 0                             | 0          |
| 30.00 | Subprovider I                         |            | 0                             | 0          |
| 31.00 | Subprovider II                        |            | 0                             | 0          |
| 32.00 |                                       |            | 0                             | 0          |
| 33.00 | Nursery                               |            | 0                             | 0          |
| 34.00 | Medicare Certified Nursing Facility   |            | 0                             | 0          |
| 35.00 | Distinct Part Nursing Facility        |            | 0                             | 0          |
| 36.00 | Adult Subacute Care Unit              |            | 0                             | 0          |
| 36.01 | Subacute Care Unit II                 |            | 0                             | 0          |
| 36.02 | Transitional Care Unit                |            | 0                             | 0          |

## TRIAL BALANCE OF EXPENSES

Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

|        |                                      | REPORTED      | ADJUSTMENTS<br>(From Sch 10A) | AUDITED       |
|--------|--------------------------------------|---------------|-------------------------------|---------------|
|        | <b>ANCILLARY COST CENTERS</b>        |               |                               |               |
| 37.00  | Operating Room                       | \$ 656,286    | \$ 0                          | \$ 656,286    |
| 38.00  | Recovery Room                        |               | 0                             | 0             |
| 39.00  | Delivery Room and Labor Room         |               | 0                             | 0             |
| 40.00  | Anesthesiology                       |               | 0                             | 0             |
| 41.00  | Radiology - Diagnostic               | 1,206,226     | 0                             | 1,206,226     |
| 41.01  |                                      |               | 0                             | 0             |
| 41.02  |                                      |               | 0                             | 0             |
| 42.00  | Radiology - Therapeutic              |               | 0                             | 0             |
| 43.00  | Radioisotope                         |               | 0                             | 0             |
| 44.00  | Laboratory                           | 2,644,673     | 0                             | 2,644,673     |
| 44.01  | Pathological Lab                     |               | 0                             | 0             |
| 46.00  | Whole Blood                          |               | 0                             | 0             |
| 47.00  | Blood Storing and Processing         |               | 0                             | 0             |
| 48.00  | Intravenous Therapy                  |               | 0                             | 0             |
| 49.00  | Respiratory Therapy                  | 4,238,861     | 0                             | 4,238,861     |
| 50.00  | Physical Therapy                     | 3,464,350     | 0                             | 3,464,350     |
| 51.00  | Occupational Therapy                 |               | 0                             | 0             |
| 52.00  | Speech Pathology                     |               | 0                             | 0             |
| 53.00  | Electrocardiology                    |               | 0                             | 0             |
| 54.00  | Electroencephalography               |               | 0                             | 0             |
| 55.00  | Medical Supplies Charged to Patients | 665,472       | 0                             | 665,472       |
| 56.00  | Drugs Charged to Patients            | 5,713,812     | 0                             | 5,713,812     |
| 57.00  | Renal Dialysis                       | 1,367,651     | 0                             | 1,367,651     |
| 58.00  | ASC (Non-Distinct Part)              |               | 0                             | 0             |
| 59.00  |                                      |               | 0                             | 0             |
| 59.01  |                                      |               | 0                             | 0             |
| 59.02  |                                      |               | 0                             | 0             |
| 59.03  |                                      |               | 0                             | 0             |
| 60.00  | Clinic                               |               | 0                             | 0             |
| 60.01  | Other Clinic Services                |               | 0                             | 0             |
| 61.00  | Emergency                            |               | 0                             | 0             |
| 62.00  | Observation Beds                     |               | 0                             | 0             |
| 71.00  |                                      |               | 0                             | 0             |
| 82.00  |                                      |               | 0                             | 0             |
| 83.00  |                                      |               | 0                             | 0             |
| 84.00  |                                      |               | 0                             | 0             |
| 85.00  |                                      |               | 0                             | 0             |
| 86.00  |                                      |               | 0                             | 0             |
|        | <b>SUBTOTAL</b>                      | \$ 74,161,244 | \$ 43,715                     | \$ 74,204,959 |
|        | <b>NONREIMBURSABLE COST CENTERS</b>  |               |                               |               |
| 96.00  | Gift, Flower, Coffee Shop & Canteen  |               | 0                             | 0             |
| 97.00  | Research                             |               | 0                             | 0             |
| 98.00  | Physicians' Private Office           |               | 0                             | 0             |
| 99.00  | Nonpaid Workers                      |               | 0                             | 0             |
| 99.01  |                                      |               | 0                             | 0             |
| 99.02  |                                      |               | 0                             | 0             |
| 99.03  |                                      |               | 0                             | 0             |
| 99.04  |                                      |               | 0                             | 0             |
| 99.05  |                                      |               | 0                             | 0             |
| 100.00 | Non-Allowable Case Manager           | 54,575        | 0                             | 54,575        |
| 100.01 | Guest Meals                          |               | 0                             | 0             |
| 100.02 |                                      |               | 0                             | 0             |
| 100.03 |                                      |               | 0                             | 0             |
| 100.04 |                                      |               | 0                             | 0             |
| 100.99 | <b>SUBTOTAL</b>                      | \$ 54,575     | \$ 0                          | \$ 54,575     |
| 101    | <b>TOTAL</b>                         | \$ 74,215,819 | \$ 43,715                     | \$ 74,259,534 |

(To Schedule 8)



Provider Name:  
KINDRED HOSPITAL - LA MIRADA

Fiscal Period Ended:  
AUGUST 31, 2009

|  | TOTAL ADJ<br>(Page 1 & 2) | AUDIT ADJ<br>2 | AUDIT ADJ |
|--|---------------------------|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>ANCILLARY COST CENTERS</b>              |                           |                |           |           |           |           |           |           |           |           |           |           |           |
| 37.00 Operating Room                       | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 38.00 Recovery Room                        | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 39.00 Delivery Room and Labor Room         | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 40.00 Anesthesiology                       | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 41.00 Radiology - Diagnostic               | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 41.01                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 41.02                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 42.00 Radiology - Therapeutic              | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 43.00 Radioisotope                         | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 44.00 Laboratory                           | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 44.01 Pathological Lab                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 46.00 Whole Blood                          | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 47.00 Blood Storing and Processing         | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 48.00 Intravenous Therapy                  | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 49.00 Respiratory Therapy                  | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 50.00 Physical Therapy                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 51.00 Occupational Therapy                 | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 52.00 Speech Pathology                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 53.00 Electrocardiology                    | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 54.00 Electroencephalography               | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 55.00 Medical Supplies Charged to Patients | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 56.00 Drugs Charged to Patients            | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 57.00 Renal Dialysis                       | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 58.00 ASC (Non-Distinct Part)              | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 59.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 59.01                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 59.02                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 59.03                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 60.00 Clinic                               | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 60.01 Other Clinic Services                | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 61.00 Emergency                            | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 62.00 Observation Beds                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 71.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 82.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 83.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 84.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 85.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 86.00                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| <b>NONREIMBURSABLE COST CENTERS</b>        |                           |                |           |           |           |           |           |           |           |           |           |           |           |
| 96.00 Gift, Flower, Coffee Shop & Canteen  | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 97.00 Research                             | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 98.00 Physicians' Private Office           | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 99.00 Nonpaid Workers                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 99.01                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 99.02                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 99.03                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 99.04                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 99.05                                      | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 100.00 Non-Allowable Case Manager          | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 100.01 Guest Meals                         | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 100.02                                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 100.03                                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 100.04                                     | 0                         |                |           |           |           |           |           |           |           |           |           |           |           |
| 101.00 TOTAL                               | \$43,715                  | 43,715         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

(To Sch 10)





| Provider Name                |              |             |      |       |      |      | Fiscal Period  |             | Provider Number     |             | Adjustments |
|------------------------------|--------------|-------------|------|-------|------|------|--|-------------|---------------------|-------------|-------------|
| KINDRED HOSPITAL - LA MIRADA |              |             |      |       |      |      | SEPTEMBER 1, 2008 THROUGH AUGUST 31, 2009  |             | 1033294723          |             | 11          |
| Report References            |              |             |      |       |      |      |  |             |                     |             |             |
| Adj. No.                     | Audit Report | Cost Report |      |       |      |      | Explanation of Audit Adjustments   | As Reported | Increase (Decrease) | As Adjusted |             |
|                              |              | Work Sheet  | Part | Title | Line | Col. |  |             |                     |             |             |
| 1                            | 1            |             |      |       |      |      | <p style="text-align: center;"><u>MEMORANDUM ADJUSTMENT</u></p> <p>The services provided to Medi-Cal inpatients in Noncontract acute hospitals are subject to various reimbursement limitations identified AB 5 and AB 1183. These limitations are addressed on Noncontract Schedule A and are incorporated on Noncontract Schedule 1, Line 9. W&amp;I Code, Sections 14105.19 and 14166.245</p> |             |                     |             |             |

| Provider Name                              |              |             |      |       |      |      | Fiscal Period  |             | Provider Number     |             | Adjustments |
|--|--------------|-------------|------|-------|------|------|--|-------------|---------------------|-------------|-------------|
| KINDRED HOSPITAL - LA MIRADA               |              |             |      |       |      |      | SEPTEMBER 1, 2008 THROUGH AUGUST 31, 2009  |             | 1033294723          |             | 11          |
| Report References                          |              |             |      |       |      |      | Explanation of Audit Adjustments   | As Reported | Increase (Decrease) | As Adjusted |             |
| Adj. No.                                   | Audit Report | Cost Report |      |       |      |      |  |             |                     |             |             |
|  |              | Work Sheet  | Part | Title | Line | Col. |  |             |                     |             |             |
| <b><u>ADJUSTMENT TO REPORTED COSTS</u></b> |              |             |      |       |      |      |  |             |                     |             |             |
| 2  | 10A          | A           |      |       | 3.00 | 7    | New Capital Related Costs - Buildings and Fixtures   | \$2,332,638 | \$283,657           | \$2,616,295 |             |
|  | 10A          | A           |      |       | 4.00 | 7    | New Capital Related Costs - Movable Equipment  | 1,644,815   | 189,648             | 1,834,463   |             |
|  | 10A          | A           |      |       | 6.00 | 7    | Administrative and General   | 9,034,182   | (429,590)           | 8,604,592   |             |
|  |              |             |      |       |      |      | To adjust reported home office costs to agree with the Kindred Healthcare, Inc. Home Office Audit and Filed Reports for fiscal periods ended December 31, 2008 and December 31, 2009.<br>42 CFR 413.17 and 413.24<br>CMS Pub. 15-1, Sections 2150.2 and 2304 |             |                     |             |             |

| Provider Name  |              |             |      |       |        |      | Fiscal Period   | Provider Number |                     | Adjustments   |
|--|--------------|-------------|------|-------|--------|------|---|-----------------|---------------------|---------------|
| KINDRED HOSPITAL - LA MIRADA   |              |             |      |       |        |      | SEPTEMBER 1, 2008 THROUGH AUGUST 31, 2009                         | 1033294723      |                     | 11            |
| Report References  |              |             |      |       |        |      | Explanation of Audit Adjustments                                  | As Reported     | Increase (Decrease) | As Adjusted   |
| Adj. No.   | Audit Report | Cost Report |      |       |        |      |   |                 |                     |               |
|  |              | Work Sheet  | Part | Title | Line   | Col. |   |                 |                     |               |
| <b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT</b>  |              |             |      |       |        |      |   |                 |                     |               |
| 3  | 4            | D-1         | I    | XIX   | 9.00   | 1    | Medi-Cal Days - Adults and Pediatrics                             | 466             | 538                 | 1,004 *       |
|  | 4A           | D-1         | I    | XIX   | 43.00  | 4    | Medi-Cal Days - Intensive Care Unit                               | 73              | 118                 | 191           |
| 4  | 6            | D-4         |      | XIX   | 37.00  | 2    | Medi-Cal Ancillary Charges - Operating Room                       | \$21,835        | \$29,615            | \$51,450      |
|  | 6            | D-4         |      | XIX   | 41.00  | 2    | Medi-Cal Ancillary Charges - Radiology - Diagnostic               | 39,582          | 21,602              | 61,184 *      |
|  | 6            | D-4         |      | XIX   | 44.00  | 2    | Medi-Cal Ancillary Charges - Laboratory                           | 234,728         | (12,979)            | 221,749 *     |
|  | 6            | D-4         |      | XIX   | 49.00  | 2    | Medi-Cal Ancillary Charges - Respiratory Therapy                  | 1,425,240       | (65,542)            | 1,359,698     |
|  | 6            | D-4         |      | XIX   | 50.00  | 2    | Medi-Cal Ancillary Charges - Physical Therapy                     | 3,458           | 1,932               | 5,390 *       |
|  | 6            | D-4         |      | XIX   | 55.00  | 2    | Medi-Cal Ancillary Charges - Medical Supplies Charged to Patients | 232,252         | (20,069)            | 212,183       |
|  | 6            | D-4         |      | XIX   | 56.00  | 2    | Medi-Cal Ancillary Charges - Drugs Charged to Patients            | 694,019         | (57,478)            | 636,541 *     |
|  | 6            | D-4         |      | XIX   | 57.00  | 2    | Medi-Cal Ancillary Charges - Renal Dialysis                       | 110,900         | 11,050              | 121,950       |
|  | 6            | D-4         |      | XIX   | 101.00 | 2    | Medi-Cal Ancillary Charges - Totals                               | 2,762,014       | (91,869)            | 2,670,145 *   |
| 5  | 2            | E-3         | III  | XIX   | 10.00  | 1    | Medi-Cal Routine Service Charges                                  | \$1,284,365     | \$716,564           | \$2,000,929 * |
|  | 2            | E-3         | III  | XIX   | 11.00  | 1    | Medi-Cal Ancillary Service Charges                                | 2,762,014       | (91,869)            | 2,670,145 *   |
| 6  | 3            | E-3         | III  | XIX   | 33.00  | 1    | Medi-Cal Patient and Third Party Liability                        | \$0             | \$1,355             | \$1,355 *     |
|  | 3            | E-3         | III  | XIX   | 36.00  | 1    | Medi-Cal Coinsurance  | 34,281          | 40,875              | 75,156        |
|  | 1            | E-3         | III  | XIX   | 57.00  | 1    | Medi-Cal Interim Payments   | 612,137         | 776,689             | 1,388,826 *   |
| <p style="text-align: center;">To adjust Medi-Cal Settlement Data to agree with the following<br/>                     Fiscal Intermediary Paid Claims Summary:<br/>                     Report Date: July 08, 2011<br/>                     Payment Period: September 1, 2008 through June 30, 2011<br/>                     Service Period: September 1, 2008 through August 31, 2009<br/>                     42 CFR 413.20, 413.24, 413.50, 413.53, 413.60,<br/>                     413.64, and 433.139<br/>                     CMS Pub. 15-1, Sections 2304, 2404, and 2408<br/>                     CCR, Title 22, Section 51541</p> |              |             |      |       |        |      |   |                 |                     |               |

| Provider Name   |              |              |      |       |        |      | Fiscal Period   | Provider Number |                     | Adjustments |             |
|---|--------------|--------------|------|-------|--------|------|---|-----------------|---------------------|-------------|-------------|
| KINDRED HOSPITAL - LA MIRADA  |              |              |      |       |        |      | SEPTEMBER 1, 2008 THROUGH AUGUST 31, 2009   | 1033294723      |                     | 11          |             |
| Report References   |              |              |      |       |        |      | Explanation of Audit Adjustments  | As Reported     | Increase (Decrease) | As Adjusted |             |
| Adj. No.  | Audit Report | Cost Report  |      |       |        |      |   |                 |                     |             |             |
|   |              | Work Sheet   | Part | Title | Line   | Col. |   |                 |                     |             |             |
| <b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT</b> |              |              |      |       |        |      |   |                 |                     |             |             |
| 7   | 4A           | Not Reported |      |       |        |      | Medi-Cal Inpatient Days - Administrative Days (October 1, 2008 through December 22, 2008)   | 0               | 33                  | 33          |             |
|   | 4A           | Not Reported |      |       |        |      | Medi-Cal Inpatient Days - Administrative Day Rate (October 1, 2008 through December 22, 2008)   | \$0.00          | \$351.26            | \$351.26    |             |
| 8   | 6            | D-4          |      | XIX   | 41.00  | 2    | Medi-Cal Ancillary Charges - Radiology - Diagnostic   | *               | \$61,184            | \$500       | \$61,684    |
|   | 6            | D-4          |      | XIX   | 44.00  | 2    | Medi-Cal Ancillary Charges - Laboratory   | *               | 221,749             | 4,191       | 225,940     |
|   | 6            | D-4          |      | XIX   | 50.00  | 2    | Medi-Cal Ancillary Charges - Physical Therapy   | *               | 5,390               | 2,530       | 7,920       |
|   | 6            | D-4          |      | XIX   | 56.00  | 2    | Medi-Cal Ancillary Charges - Drugs Charged to Patients  | *               | 636,541             | 5,980       | 642,521     |
|   | 6            | D-4          |      | XIX   | 101.00 | 2    | Medi-Cal Ancillary Charges - Totals   | *               | 2,670,145           | 13,201      | 2,683,346   |
| 9   | 2            | E-3          | III  | XIX   | 10.00  | 1    | Medi-Cal Routine Service Charges  | *               | \$2,000,929         | \$58,625    | \$2,059,554 |
|   | 2            | E-3          | III  | XIX   | 11.00  | 1    | Medi-Cal Ancillary Service Charges  | *               | 2,670,145           | 13,201      | 2,683,346   |
| 10  | 3            | E-3          | III  | XIX   | 33.00  | 1    | Medi-Cal Patient and Third Party Liability  | *               | \$1,355             | \$1,905     | \$3,260     |
|   | 1            | E-3          | III  | XIX   | 57.00  | 1    | Medi-Cal Interim Payments   | *               | 1,388,826           | 11,736      | 1,400,562   |
|   |              |              |      |       |        |      | To adjust Medi-Cal Settlement Data to agree with the following Fiscal Intermediary Paid Claims Summary:<br>Report Date: July 08, 2011<br>Payment Period: September 1, 2008 through June 30, 2011<br>Service Period: September 1, 2008 through August 31, 2009<br>42 CFR 413.20, 413.24, 413.50, 413.53, 413.60, 413.64, and 433.139<br>CMS Pub. 15-1, Sections 2304, 2404, and 2408<br>CCR, Title 22, Section 51541 |                 |                     |             |             |

| Provider Name   |              |            |      |       |      |      | Fiscal Period  |   |       | Provider Number |                     | Adjustments |
|---|--------------|------------|------|-------|------|------|--|---|-------|-----------------|---------------------|-------------|
| KINDRED HOSPITAL - LA MIRADA  |              |            |      |       |      |      | SEPTEMBER 1, 2008 THROUGH AUGUST 31, 2009  |   |       | 1033294723      |                     | 11          |
| Report References   |              |            |      |       |      |      |  |   |       | As Reported     | Increase (Decrease) | As Adjusted |
| Cost Report   |              |            |      |       |      |      |  |   |       |                 |                     |             |
| Adj. No.  | Audit Report | Work Sheet | Part | Title | Line | Col. | Explanation of Audit Adjustments   |   |       |                 |                     |             |
| <b><u>ADJUSTMENT TO REPORTED MEDI-CAL SETTLEMENT DATA - NONCONTRACT</u></b> |              |            |      |       |      |      |  |   |       |                 |                     |             |
| 11  | 4            | D-1        | 1    | XIX   | 9.00 | 1    | Medi-Cal Days - Adults and Pediatrics<br>To eliminate Medi-Cal days for billed Medi-Cal days by 25% for claims submitted during the 7th through 9th month (RAD Code 475) after the month of service.<br>42 CFR 413.20 and 413.24<br>CMS Pub. 15-1, Sections 2300 and 2304<br>CCR, Title 22, Section 51458.1<br>W & I Code, Section 14115 | * | 1,004 | (10)            | 994                 |             |

\*Balance carried forward from prior/to subsequent adjustments