REPORT
ON THE
HOME OFFICE AUDIT

EVA CARE GROUP, LLC
LOS ANGELES, CALIFORNIA

FISCAL PERIOD ENDED
DECEMBER 31, 2008

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

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June 25, 2010

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1937 Pontius Avenue
Los Angeles, CA 90025

EVA CARE GROUP, LLC
FISCAL PERIOD ENDED: DECEMBER 31, 2008

We have examined the Medi-Cal Home Office Cost Report for the fiscal period ended December 31, 2008. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

This audit report includes the:

1. Summary of Audited Home Office Costs to Health Care Facilities and Supporting Schedules

2. Audit Adjustments Schedule

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

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If you have questions regarding this report, you may call the Audits Section—Burbank at (818) 295-2620.

Original Signed By

Daniel J. Giardinelli, Chief
Audits Section—Burbank
Financial Audits Branch

Certified

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STATE OF CALIFORNIA

SCHEDULE 1

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

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		CAPITAL RELATED (SCHEDULE 3)	NONCAPITAL RELATED (SCHEDULE 3-1)	TOTAL AUDITED H.O. COSTS (COLUMN 1 + 2)
		FROM	TO	1	2	3
1. Empress Care Center	ZZR06026G	01/01/08	12/31/08	$8,651	$203,865	$212,516
2. Greenfield Care Center of Fairfield	ZZR05189G	01/01/08	12/31/08	9,935	234,120	244,054
3. Greenfield Care Center of Fullerton	ZZT06151G	01/01/08	12/31/08	9,760	230,001	239,761
4. Greenfield Care Center of South Gate	ZZT06217K	01/01/08	12/31/08	7,812	184,088	191,899
5. Montclair Manor Care Center	ZZT05718H	01/01/08	12/31/08	6,108	143,944	150,052
6. Greenfield Care Center of Gardena	ZZT06011H	01/01/08	12/31/08	4,799	114,639	119,437
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	01/01/08	12/31/08	15,231	358,929	374,160
8. Medical Center Convalescent Hospital	ZZT05149I	11/01/08	12/31/08	1,741	41,018	42,759
9.				0	0	0
10.				0	0	0
11.				0	0	0
12.				0	0	0
13.				0	0	0
14.				0	0	0
15.				0	0	0
16.				0	0	0
17.				0	0	0
18.				0	0	0
19.				0	0	0
20.				0	0	0
SUBTOTAL (LINES 1 THROUGH 20)				$64,035	$1,510,603	$1,574,638
OTHER COMPONENTS						
21. AMCAP Financial Management, Inc.	N/A	01/01/08	12/31/08	$5,115	$39,954	$45,069
22. Eva Care Physical Therapy, Inc.	N/A	01/01/08	12/31/08	5,485	129,259	134,744
23. Ever Care Insurance, Inc.	N/A	01/01/08	12/31/08	4,221	99,469	103,690
24. Evertec, LLC	N/A	01/01/08	12/31/08	23	531	554
25. Evergreen Development and Constructions	N/A	01/01/08	12/31/08	2,279	73,714	75,994
26. Evergreen International Group	N/A	01/01/08	12/31/08	552	13,018	13,571
27. Evergreen Financial Holdings, LLC	N/A	01/01/08	12/31/08	1,835	43,244	45,079
28. Unistaff Registry, LLC	N/A	01/01/08	12/31/08	6,318	148,891	155,209
29.				0	0	0
30.				0	0	0
31.				0	0	0
32.				0	0	0
33.				0	0	0
34.				0	0	0
35.				0	0	0
SUBTOTAL (LINES 21 THROUGH 35)				$25,828	$548,081	$573,909
GRAND TOTAL				$89,863	$2,058,684	$2,148,547

STATE OF CALIFORNIA

SCHEDULE 2

COMPARISON OF REPORTED AND AUDITED HOME OFFICE COSTS

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		REPORTED HOME OFFICE COSTS (SCH. 9)	AUDITED H.O. COSTS (SCH. 3 & 3-1)	VARIANCE (COLUMN 2-1)
		FROM	TO	1	2	3
1. Empress Care Center	ZZR06026G	01/01/08	12/31/08	$296,279	$212,516	($83,763)
2. Greenfield Care Center of Fairfield	ZZR05189G	01/01/08	12/31/08	336,810	244,054	(92,756)
3. Greenfield Care Center of Fullerton	ZZT06151G	01/01/08	12/31/08	335,351	239,760	(95,591)
4. Greenfield Care Center of South Gate	ZZT06217K	01/01/08	12/31/08	268,404	191,899	(76,505)
5. Montclair Manor Care Center	ZZT05718H	01/01/08	12/31/08	209,300	150,052	(59,248)
6. Greenfield Care Center of Gardena	ZZT06011H	01/01/08	12/31/08	151,435	119,437	(31,998)
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	01/01/08	12/31/08	261,294	374,160	112,866
8. Medical Center Convalescent Hospital	ZZT05149I	11/01/08	12/31/08	0	42,759	42,759
9.				0	0	0
10.				0	0	0
11.				0	0	0
12.				0	0	0
13.				0	0	0
14.				0	0	0
15.				0	0	0
16.				0	0	0
17.				0	0	0
18.				0	0	0
19.				0	0	0
20.				0	0	0
SUBTOTAL (LINES 1 THROUGH 20)				$1,858,873	$1,574,638	($284,235)
OTHER COMPONENTS						
21. AMCAP Financial Management, Inc.	N/A	01/01/08	12/31/08	$0	$45,069	$45,069
22. Eva Care Physical Therapy, Inc.	N/A	01/01/08	12/31/08	188,197	134,744	(53,453)
23. Ever Care Insurance, Inc.	N/A	01/01/08	12/31/08	144,823	103,690	(41,134)
24. Evertec, LLC	N/A	01/01/08	12/31/08	773	554	(220)
25. Evergreen Development and Constructions	N/A	01/01/08	12/31/08	76,949	75,994	(955)
26. Evergreen International Group	N/A	01/01/08	12/31/08	18,954	13,571	(5,384)
27. Evergreen Financial Holdings, LLC	N/A	01/01/08	12/31/08	62,962	45,079	(17,883)
28. Unistaff Registry, LLC	N/A	01/01/08	12/31/08	216,781	155,209	(61,572)
29.				0	0	0
30.				0	0	0
31.				0	0	0
32.				0	0	0
33.				0	0	0
34.				0	0	0
35.				0	0	0
SUBTOTAL (LINES 21 THROUGH 35)				$709,440	$573,909	($135,531)
GRAND TOTAL				$2,568,313	$2,148,547	($419,766)

STATE OF CALIFORNIA

SCHEDULE 3

SUMMARY ALLOCATION OF HOME OFFICE COSTS - CAPITAL RELATED

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR FROM	TO	DIRECT CAPITAL COSTS (SCHEDULE 7) 1	FUNCTIONAL CAPITAL COSTS (SCHEDULE 5) 2	POOLED CAPITAL COSTS (SCHEDULE 4) 3	TOTAL CAPITAL COSTS (COL. 1 TO 3)
1. Empress Care Center	ZZR06026G	01/01/08	12/31/08	$0	$0	$8,651	$8,651
2. Greenfield Care Center of Fairfield	ZZR05189G	01/01/08	12/31/08	0	0	9,935	9,935
3. Greenfield Care Center of Fullerton	ZZT06151G	01/01/08	12/31/08	0	0	9,760	9,760
4. Greenfield Care Center of South Gate	ZZT06217K	01/01/08	12/31/08	0	0	7,812	7,812
5. Montclair Manor Care Center	ZZT05718H	01/01/08	12/31/08	0	0	6,108	6,108
6. Greenfield Care Center of Gardena	ZZT06011H	01/01/08	12/31/08	0	0	4,799	4,799
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	01/01/08	12/31/08	0	0	15,231	15,231
8. Medical Center Convalescent Hospital	ZZT05149I	11/01/08	12/31/08	0	0	1,741	1,741
9.				0	0	0	0
10.				0	0	0	0
11.				0	0	0	0
12.				0	0	0	0
13.				0	0	0	0
14.				0	0	0	0
15.				0	0	0	0
16.				0	0	0	0
17.				0	0	0	0
18.				0	0	0	0
19.				0	0	0	0
20.				0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)				$0	$0	$64,035	$64,035
OTHER COMPONENTS							
21. AMCAP Financial Management, Inc.	N/A	01/01/08	12/31/08	$5,115	$0	$0	$5,115
22. Eva Care Physical Therapy, Inc.	N/A	01/01/08	12/31/08	0	0	5,485	5,485
23. Ever Care Insurance, Inc.	N/A	01/01/08	12/31/08	0	0	4,221	4,221
24. Evertec, LLC	N/A	01/01/08	12/31/08	0	0	23	23
25. Evergreen Development and Constructions	N/A	01/01/08	12/31/08	0	0	2,279	2,279
26. Evergreen International Group	N/A	01/01/08	12/31/08	0	0	552	552
27. Evergreen Financial Holdings, LLC	N/A	01/01/08	12/31/08	0	0	1,835	1,835
28. Unistaff Registry, LLC	N/A	01/01/08	12/31/08	0	0	6,318	6,318
29.				0	0	0	0
30.				0	0	0	0
31.				0	0	0	0
32.				0	0	0	0
33.				0	0	0	0
34.				0	0	0	0
35.				0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)				$5,115	$0	$20,713	$25,828
GRAND TOTAL				$5,115	$0	$84,748	$89,863

(To Schedule 1 & 2)

STATE OF CALIFORNIA

SCHEDULE 3-1

SUMMARY ALLOCATION OF HOME OFFICE COSTS - NONCAPITAL RELATED

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR FROM	TO	DIRECT COSTS (SCH. 7-1) 1	FUNCTIONAL COSTS (SCH. 5-1) 2	POOLED COSTS (SCH. 4) 3	TOTAL NONCAPITAL COSTS (COL. 1 TO 3)
1. Empress Care Center	ZZR06026G	01/01/08	12/31/08	$0	$188,124	$15,741	$203,865
2. Greenfield Care Center of Fairfield	ZZR05189G	01/01/08	12/31/08	0	216,043	18,077	234,120
3. Greenfield Care Center of Fullerton	ZZT06151G	01/01/08	12/31/08	0	212,242	17,759	230,001
4. Greenfield Care Center of South Gate	ZZT06217K	01/01/08	12/31/08	0	169,874	14,214	184,088
5. Montclair Manor Care Center	ZZT05718H	01/01/08	12/31/08	0	132,830	11,114	143,944
6. Greenfield Care Center of Gardena	ZZT06011H	01/01/08	12/31/08	1,551	104,356	8,732	114,639
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	01/01/08	12/31/08	0	331,216	27,713	358,929
8. Medical Center Convalescent Hospital	ZZT05149I	11/01/08	12/31/08	0	37,851	3,167	41,018
9.				0	0	0	0
10.				0	0	0	0
11.				0	0	0	0
12.				0	0	0	0
13.				0	0	0	0
14.				0	0	0	0
15.				0	0	0	0
16.				0	0	0	0
17.				0	0	0	0
18.				0	0	0	0
19.				0	0	0	0
20.				0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)				$1,551	$1,392,536	$116,516	$1,510,603
OTHER COMPONENTS							
21. AMCAP Financial Management, Inc.	N/A	01/01/08	12/31/08	$0	$39,954	$0	$39,954
22. Eva Care Physical Therapy, Inc.	N/A	01/01/08	12/31/08	0	119,279	9,980	129,259
23. Ever Care Insurance, Inc.	N/A	01/01/08	12/31/08	0	91,789	7,680	99,469
24. Evertec, LLC	N/A	01/01/08	12/31/08	0	490	41	531
25. Evergreen Development and Constructions	N/A	01/01/08	12/31/08	20,000	49,567	4,147	73,714
26. Evergreen International Group	N/A	01/01/08	12/31/08	0	12,013	1,005	13,018
27. Evergreen Financial Holdings, LLC	N/A	01/01/08	12/31/08	0	39,905	3,339	43,244
28. Unistaff Registry, LLC	N/A	01/01/08	12/31/08	0	137,395	11,496	148,891
29.				0	0	0	0
30.				0	0	0	0
31.				0	0	0	0
32.				0	0	0	0
33.				0	0	0	0
34.				0	0	0	0
35.				0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)				$20,000	$490,392	$37,689	$548,081
GRAND TOTAL				$21,551	$1,882,928	$154,205	$2,058,684

(To Schedule 1 & 2)

STATE OF CALIFORNIA

SCHEDULE 4

POOLED ALLOCATION OF HOME OFFICE COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	TOTAL COST (SCH. G, COL. 1) 1	CAPITAL (SCH. 8) 2	NONCAPITAL (SCH. 8) 3	TOTAL POOLED (COL. 2 + 3) 4
		(Adjs. 27-29)			
1. Empress Care Center	ZZR06026G	$4,719,928	$8,651	$15,741	$24,391
2. Greenfield Care Center of Fairfield	ZZR05189G	5,420,401	9,935	18,077	28,011
3. Greenfield Care Center of Fullerton	ZZT06151G	5,325,023	9,760	17,759	27,518
4. Greenfield Care Center of South Gate	ZZT06217K	4,262,037	7,812	14,214	22,025
5. Montclair Manor Care Center	ZZT05718H	3,332,622	6,108	11,114	17,222
6. Greenfield Care Center of Gardena	ZZT06011H	2,618,230	4,799	8,732	13,530
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	8,310,022	15,231	27,713	42,944
8. Medical Center Convalescent Hospital	ZZT05149I	949,667	1,741	3,167	4,908
9.		0	0	0	0
10.		0	0	0	0
11.		0	0	0	0
12.		0	0	0	0
13.		0	0	0	0
14.		0	0	0	0
15.		0	0	0	0
16.		0	0	0	0
17.		0	0	0	0
18.		0	0	0	0
19.		0	0	0	0
20.		0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		$34,937,930	$64,035	$116,516	$180,551
OTHER COMPONENTS					
21. AMCAP Financial Management, Inc.	N/A	$0	$0	$0	$0
22. Eva Care Physical Therapy, Inc.	N/A	2,992,636	5,485	9,980	15,465
23. Ever Care Insurance, Inc.	N/A	2,302,923	4,221	7,680	11,901
24. Evertec, LLC	N/A	12,295	23	41	64
25. Evergreen Development and Constructions	N/A	1,243,608	2,279	4,147	6,427
26. Evergreen International Group	N/A	301,400	552	1,005	1,558
27. Evergreen Financial Holdings, LLC	N/A	1,001,199	1,835	3,339	5,174
28. Unistaff Registry, LLC	N/A	3,447,168	6,318	11,496	17,814
29.		0	0	0	0
30.		0	0	0	0
31.		0	0	0	0
32.		0	0	0	0
33.		0	0	0	0
34.		0	0	0	0
35.		0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		$11,301,229	$20,713	$37,689	$58,402
GRAND TOTAL		$46,239,159	$84,748	$154,205	$238,953
			(To Schedule 3)	(To Schedule 3-1)	
MULTIPLIER			0.001833	0.003335	

STATE OF CALIFORNIA

SCHEDULE 5

FUNCTIONAL ALLOCATION OF EXPENSES TO
CHAIN COMPONENTS - CAPITAL RELATED

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	New Cap. Related Costs-Movable 5.00	5.01	Insurance Premiums 7.00	Taxes and Licenses - Not INCM 8.00	Other 9.00	AUDITED TOTAL CAPITAL
1. Empress Care Center	ZZR06026G	$0	$0	$0	$0	$0	$0
2. Greenfield Care Center of Fairfield	ZZR05189G	0	0	0	0	0	0
3. Greenfield Care Center of Fullerton	ZZT06151G	0	0	0	0	0	0
4. Greenfield Care Center of South Gate	ZZT06217K	0	0	0	0	0	0
5. Montclair Manor Care Center	ZZT05718H	0	0	0	0	0	0
6. Greenfield Care Center of Gardena	ZZT06011H	0	0	0	0	0	0
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	0	0	0	0	0	0
8. Medical Center Convalescent Hospital	ZZT05149I	0	0	0	0	0	0
9.		0	0	0	0	0	0
10.		0	0	0	0	0	0
11.		0	0	0	0	0	0
12.		0	0	0	0	0	0
13.		0	0	0	0	0	0
14.		0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		$0	$0	$0	$0	$0	$0
OTHER COMPONENTS							
21. AMCAP Financial Management, Inc.	N/A	$0	$0	$0	$0	$0	$0
22. Eva Care Physical Therapy, Inc.	N/A	0	0	0	0	0	0
23. Ever Care Insurance, Inc.	N/A	0	0	0	0	0	0
24. Evertec, LLC	N/A	0	0	0	0	0	0
25. Evergreen Development and Constructions	N/A	0	0	0	0	0	0
26. Evergreen International Group	N/A	0	0	0	0	0	0
27. Evergreen Financial Holdings, LLC	N/A	0	0	0	0	0	0
28. Unistaff Registry, LLC	N/A	0	0	0	0	0	0
29.		0	0	0	0	0	0
30.		0	0	0	0	0	0
31.		0	0	0	0	0	0
32.		0	0	0	0	0	0
33.		0	0	0	0	0	0
34.		0	0	0	0	0	0
35.		0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		$0	$0	$0	$0	$0	$0
GRAND TOTAL		$0	$0	$0	$0	$0	$0

(To Schedule 3)

STATE OF CALIFORNIA

SCHEDULE 5-1

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN
COMPONENTS - NONCAPITAL RELATED

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	35.04	35.05	35.06	35.07	35.08	AUDITED TOTAL NONCAPITAL
1. Empress Care Center	ZZR06026G	$0	$0	$0	$0	$0	$188,124
2. Greenfield Care Center of Fairfield	ZZR05189G	0	0	0	0	0	216,043
3. Greenfield Care Center of Fullerton	ZZT06151G	0	0	0	0	0	212,242
4. Greenfield Care Center of South Gate	ZZT06217K	0	0	0	0	0	169,874
5. Montclair Manor Care Center	ZZT05718H	0	0	0	0	0	132,830
6. Greenfield Care Center of Gardena	ZZT06011H	0	0	0	0	0	104,356
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	0	0	0	0	0	331,216
8. Medical Center Convalescent Hospital	ZZT05149I	0	0	0	0	0	37,851
9.		0	0	0	0	0	0
10.		0	0	0	0	0	0
11.		0	0	0	0	0	0
12.		0	0	0	0	0	0
13.		0	0	0	0	0	0
14.		0	0	0	0	0	0
15.		0	0	0	0	0	0
16.		0	0	0	0	0	0
17.		0	0	0	0	0	0
18.		0	0	0	0	0	0
19.		0	0	0	0	0	0
20.		0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		$0	$0	$0	$0	$0	$1,392,536
OTHER COMPONENTS							
21. AMCAP Financial Management, Inc.	N/A	$0	$0	$0	$0	$0	$39,954
22. Eva Care Physical Therapy, Inc.	N/A	0	0	0	0	0	119,279
23. Ever Care Insurance, Inc.	N/A	0	0	0	0	0	91,789
24. Evertec, LLC	N/A	0	0	0	0	0	490
25. Evergreen Development and Constructions	N/A	0	0	0	0	0	49,567
26. Evergreen International Group	N/A	0	0	0	0	0	12,013
27. Evergreen Financial Holdings, LLC	N/A	0	0	0	0	0	39,905
28. Unistaff Registry, LLC	N/A	0	0	0	0	0	137,395
29.		0	0	0	0	0	0
30.		0	0	0	0	0	0
31.		0	0	0	0	0	0
32.		0	0	0	0	0	0
33.		0	0	0	0	0	0
34.		0	0	0	0	0	0
35.		0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		$0	$0	$0	$0	$0	$490,392
GRAND TOTAL		$0	$0	$0	$0	$0	$1,882,928

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN COMPONENTS STATISTICS - CAPITAL RELATED

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	New Cap. Related Costs- (Statistics) 5.00 (Adj.)	(Statistics) 5.01 (Adj.)	Insurance Premiums (Statistics) 7.00 (Adj.)	Taxes and Licenses - Not (Statistics) 8.00 (Adj.)	Other (Statistics) 9.00 (Adj.)
1. Empress Care Center	ZZR06026G	0	0	0	0	0
2. Greenfield Care Center of Fairfield	ZZR05189G	0	0	0	0	0
3. Greenfield Care Center of Fullerton	ZZT06151G	0	0	0	0	0
4. Greenfield Care Center of South Gate	ZZT06217K	0	0	0	0	0
5. Montclair Manor Care Center	ZZT05718H	0	0	0	0	0
6. Greenfield Care Center of Gardena	ZZT06011H	0	0	0	0	0
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	0	0	0	0	0
8. Medical Center Convalescent Hospital	ZZT05149I	0	0	0	0	0
9.		0	0	0	0	0
10.		0	0	0	0	0
11.		0	0	0	0	0
12.		0	0	0	0	0
13.		0	0	0	0	0
14.		0	0	0	0	0
15.		0	0	0	0	0
16.		0	0	0	0	0
17.		0	0	0	0	0
18.		0	0	0	0	0
19.		0	0	0	0	0
20.		0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		0	0	0	0	0
OTHER COMPONENTS						
21. AMCAP Financial Management, Inc.	N/A	0	0	0	0	0
22. Eva Care Physical Therapy, Inc.	N/A	0	0	0	0	0
23. Ever Care Insurance, Inc.	N/A	0	0	0	0	0
24. Evertec, LLC	N/A	0	0	0	0	0
25. Evergreen Development and Constructions	N/A	0	0	0	0	0
26. Evergreen International Group	N/A	0	0	0	0	0
27. Evergreen Financial Holdings, LLC	N/A	0	0	0	0	0
28. Unistaff Registry, LLC	N/A	0	0	0	0	0
29.		0	0	0	0	0
30.		0	0	0	0	0
31.		0	0	0	0	0
32.		0	0	0	0	0
33.		0	0	0	0	0
34.		0	0	0	0	0
35.		0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		0	0	0	0	0
GRAND TOTAL		0	0	0	0	0
TOTAL STATISTICS		0	0	0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)		$0	$0	$0	$0	$0
UNIT COST MULTIPLIER		0.000000	0.000000	0.000000	0.000000	0.000000

FUNCTIONAL ALLOCATION OF EXPENSES TO CHAIN
COMPONENTS STATISTICS - NONCAPITAL RELATED

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	(Statistics) 35.06 (Adj.)	(Statistics) 35.07 (Adj.)	(Statistics) 35.08 (Adj.)
1. Empress Care Center	ZZR06026G	0	0	0
2. Greenfield Care Center of Fairfield	ZZR05189G	0	0	0
3. Greenfield Care Center of Fullerton	ZZT06151G	0	0	0
4. Greenfield Care Center of South Gate	ZZT06217K	0	0	0
5. Montclair Manor Care Center	ZZT05718H	0	0	0
6. Greenfield Care Center of Gardena	ZZT06011H	0	0	0
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	0	0	0
8. Medical Center Convalescent Hospital	ZZT05149I	0	0	0
9.		0	0	0
10.		0	0	0
11.		0	0	0
12.		0	0	0
13.		0	0	0
14.		0	0	0
15.		0	0	0
16.		0	0	0
17.		0	0	0
18.		0	0	0
19.		0	0	0
20.		0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		0	0	0
OTHER COMPONENTS				
21. AMCAP Financial Management, Inc.	N/A	0	0	0
22. Eva Care Physical Therapy, Inc.	N/A	0	0	0
23. Ever Care Insurance, Inc.	N/A	0	0	0
24. Evertec, LLC	N/A	0	0	0
25. Evergreen Development and Constructions	N/A	0	0	0
26. Evergreen International Group	N/A	0	0	0
27. Evergreen Financial Holdings, LLC	N/A	0	0	0
28. Unistaff Registry, LLC	N/A	0	0	0
29.		0	0	0
30.		0	0	0
31.		0	0	0
32.		0	0	0
33.		0	0	0
34.		0	0	0
35.		0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		0	0	0
GRAND TOTAL		0	0	0
TOTAL STATISTICS		0	0	0
COST TO BE ALLOCATED (FROM SCHEDULE 8)		$0	$0	$0
UNIT COST MULTIPLIER		0.000000	0.000000	0.000000

STATE OF CALIFORNIA

SCHEDULE 7

DIRECT ALLOCATION OF CAPITAL COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	REPORTED TOTAL (SCH. E)	NEW CAP REL COSTS - BLDG & FIXT (Adj. 1)	(Adj.)	(Adj.)	(Adj.)	(Adj.)	AUDITED TOTAL
1. Empress Care Center	ZZR06026G	$0	$0	$0	$0	$0	$0	$0
2. Greenfield Care Center of Fairfield	ZZR05189G	0	0	0	0	0	0	0
3. Greenfield Care Center of Fullerton	ZZT06151G	0	0	0	0	0	0	0
4. Greenfield Care Center of South Gate	ZZT06217K	0	0	0	0	0	0	0
5. Montclair Manor Care Center	ZZT05718H	0	0	0	0	0	0	0
6. Greenfield Care Center of Gardena	ZZT06011H	0	0	0	0	0	0	0
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	0	0	0	0	0	0	0
8. Medical Center Convalescent Hospital	ZZT05149I	0	0	0	0	0	0	0
9.		0	0	0	0	0	0	0
10.		0	0	0	0	0	0	0
11.		0	0	0	0	0	0	0
12.		0	0	0	0	0	0	0
13.		0	0	0	0	0	0	0
14.		0	0	0	0	0	0	0
15.		0	0	0	0	0	0	0
16.		0	0	0	0	0	0	0
17.		0	0	0	0	0	0	0
18.		0	0	0	0	0	0	0
19.		0	0	0	0	0	0	0
20.		0	0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		$0	$0	$0	$0	$0	$0	$0
OTHER COMPONENTS								
21. AMCAP Financial Management, Inc.	N/A	$0	$5,115	$0	$0	$0	$0	$5,115
22. Eva Care Physical Therapy, Inc.	N/A	0	0	0	0	0	0	0
23. Ever Care Insurance, Inc.	N/A	0	0	0	0	0	0	0
24. Evertec, LLC	N/A	0	0	0	0	0	0	0
25. Evergreen Development and Constructions	N/A	0	0	0	0	0	0	0
26. Evergreen International Group	N/A	0	0	0	0	0	0	0
27. Evergreen Financial Holdings, LLC	N/A	0	0	0	0	0	0	0
28. Unistaff Registry, LLC	N/A	0	0	0	0	0	0	0
29.		0	0	0	0	0	0	0
30.		0	0	0	0	0	0	0
31.		0	0	0	0	0	0	0
32.		0	0	0	0	0	0	0
33.		0	0	0	0	0	0	0
34.		0	0	0	0	0	0	0
35.		0	0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		$0	$5,115	$0	$0	$0	$0	$5,115
GRAND TOTAL		$0	$5,115	$0	$0	$0	$0	$5,115

(To Schedule 3)

STATE OF CALIFORNIA

SCHEDULE 7-1

DIRECT ALLOCATION OF NONCAPITAL COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER							AUDITED TOTAL
		(Adj.)	(Adj.)	(Adj.)	(Adj.)	(Adj.)	(Adj.)	
1. Empress Care Center	ZZR06026G	$0	$0	$0	$0	$0	$0	$0
2. Greenfield Care Center of Fairfield	ZZR05189G	0	0	0	0	0	0	0
3. Greenfield Care Center of Fullerton	ZZT06151G	0	0	0	0	0	0	0
4. Greenfield Care Center of South Gate	ZZT06217K	0	0	0	0	0	0	0
5. Montclair Manor Care Center	ZZT05718H	0	0	0	0	0	0	0
6. Greenfield Care Center of Gardena	ZZT06011H	0	0	0	0	0	0	1,551
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	0	0	0	0	0	0	0
8. Medical Center Convalescent Hospital	ZZT05149I	0	0	0	0	0	0	0
9.		0	0	0	0	0	0	0
10.		0	0	0	0	0	0	0
11.		0	0	0	0	0	0	0
12.		0	0	0	0	0	0	0
13.		0	0	0	0	0	0	0
14.		0	0	0	0	0	0	0
15.		0	0	0	0	0	0	0
16.		0	0	0	0	0	0	0
17.		0	0	0	0	0	0	0
18.		0	0	0	0	0	0	0
19.		0	0	0	0	0	0	0
20.		0	0	0	0	0	0	0
SUBTOTAL (LINES 1 THROUGH 20)		$0	$0	$0	$0	$0	$0	$1,551
OTHER COMPONENTS								
21. AMCAP Financial Management, Inc.	N/A	0	0	0	0	0	0	0
22. Eva Care Physical Therapy, Inc.	N/A	0	0	0	0	0	0	0
23. Ever Care Insurance, Inc.	N/A	0	0	0	0	0	0	0
24. Evertec, LLC	N/A	0	0	0	0	0	0	0
25. Evergreen Development and Constructions	N/A	0	0	0	0	0	0	20,000
26. Evergreen International Group	N/A	0	0	0	0	0	0	0
27. Evergreen Financial Holdings, LLC	N/A	0	0	0	0	0	0	0
28. Unistaff Registry, LLC	N/A	0	0	0	0	0	0	0
29.		0	0	0	0	0	0	0
30.		0	0	0	0	0	0	0
31.		0	0	0	0	0	0	0
32.		0	0	0	0	0	0	0
33.		0	0	0	0	0	0	0
34.		0	0	0	0	0	0	0
35.		0	0	0	0	0	0	0
SUBTOTAL (LINES 21 THROUGH 35)		$0	$0	$0	$0	$0	$0	$20,000
GRAND TOTAL		$0	$0	$0	$0	$0	$0	$21,551

(To Schedule 3-1)

STATE OF CALIFORNIA

SCHEDULE 8

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

LINE NO.	COST CENTER DESCRIPTION	REPORTED FUNCTIONAL COSTS (SCH. B, COL 7)	ADJ. NO.	ADJUSTMENT AMOUNT(S)	AUDITED FUNCTIONAL COSTS
	CAPITAL-RELATED COSTS - OLD				
1.00	Old Cap. Related-Buildings & Fixtures	$0		$0	$0
1.01		0		0	0
2.00	Old Cap. Related-Movable Equipment	0		0	0
2.01		0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.01)	$0		$0	$0
	CAPITAL-RELATED COSTS - NEW				
4.00	New Cap. Related Costs-Buildings & Fixtures	$0		$0	$0
4.01		0		0	0
5.00	New Cap. Related Costs-Movable Equipment	0		0	0
5.01		0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.01)	$0		$0	$0
	OTHER CAPITAL-RELATED COSTS				
7.00	Insurance Premiums	$0		$0	$0
8.00	Taxes and Licenses - Not INCM	0		0	0
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	$0		$0	$0
	NON CAPITAL-RELATED COSTS				
11.00	Salaries of Officers	$0		$0	$0
12.00	Salaries & Wages of Others	0	2	1,675,976	1,675,976
13.00	Payroll Taxes	0	2	132,394	132,394
14.00	Employee Benefits-Payroll Related	0	2	70,339	70,339
15.00	Employee Benefits-Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing & Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel & Entertainment	0		0	0
22.00	Transportation	0		0	0
23.00	Cleaning Office & Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs & Maintenance	0		0	0
26.00	Dues & Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium-Non Capital Related	0	2	4,219	4,219
29.00	Taxes & Licenses - Non Capital Related	0		0	0
30.00	Interest Expense	0		0	0
31.00	Miscellaneous	0		0	0
32.00	Postage	0		0	0
33.00	Printing	0		0	0
34.00	Seminars	0		0	0
35.00	Purchased Services	0		0	0
35.01		0		0	0
35.02		0		0	0
35.03		0		0	0
35.04		0		0	0
35.05		0		0	0
35.06		0		0	0
35.07		0		0	0
35.08		0		0	0
36.00	SUBTOTAL (sum of lines 11 through 35.08)	$0		$1,882,928	$1,882,928
37.00	TOTAL ALLOWABLE EXPENSES	$0		$1,882,928	$1,882,928
					(To Sch. 6, 6-1)
38.00	NONREIMBURSABLE EXPENSES	$0		$0	$0

STATE OF CALIFORNIA

SCHEDULE 8

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
EVA CARE GROUP, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

LINE NO.	COST CENTER DESCRIPTION	REPORTED FUNCTIONAL COSTS (SCH. B, COL 7)	ADJ. NO.	ADJUSTMENT AMOUNT(S)	AUDITED FUNCTIONAL COSTS
	CAPITAL-RELATED COSTS - OLD				
	TOTAL EXPENSES	$0		$1,882,928	$1,882,928

STATE OF CALIFORNIA

SCHEDULE 9

REPORTED HOME OFFICE COSTS

HOME OFFICE NAME:
EVA CARE GROUP, LLC.

FISCAL PERIOD ENDED:
DECEMBER 31, 2008

HEALTH CARE FACILITIES	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT ALLOCATION		FUNCTIONAL ALLOCATION		POOLED ALLOCATION		TOTAL ALLOCATION HOME OFFICE COSTS
		FROM	TO	CAPITAL RELATED COSTS (SCH. E)	NON-CAPITAL RELATED COSTS (SCH. E-1)	CAPITAL RELATED COSTS (SCH. F)	NON-CAPITAL RELATED COSTS (SCH. F-1)	CAPITAL RELATED COSTS (SCH. G)	NON-CAPITAL RELATED COSTS (SCH. G)	
1. Empress Care Center	ZZR06026G	01/01/08	12/31/08	$0	$0	$0	$0	$14,769	$281,510	$296,279
2. Greenfield Care Center of Fairfield	ZZR05189G	01/01/08	12/31/08	0	0	0	0	16,789	320,021	336,810
3. Greenfield Care Center of Fullerton	ZZT06151G	01/01/08	12/31/08	0	0	0	0	16,716	318,635	335,351
4. Greenfield Care Center of South Gate	ZZT06217K	01/01/08	12/31/08	0	0	0	0	13,379	255,025	268,404
5. Montclair Manor Care Center	ZZT05718H	01/01/08	12/31/08	0	0	0	0	10,433	198,867	209,300
6. Greenfield Care Center of Gardena	ZZT06011H	01/01/08	12/31/08	0	0	0	0	7,549	143,886	151,435
7. Kit Carson Nursing and Rehabilitation Center	ZZR06198I	01/01/08	12/31/08	0	0	0	0	13,025	248,269	261,294
8. Medical Center Convalescent Hospital	ZZT05149I	11/01/08	12/31/08	0	0	0	0	0	0	0
9.										0
10.										0
11.										0
12.										0
13.										0
14.										0
15.										0
16.										0
17.										0
18.										0
19.										0
20.										0
SUBTOTAL (LINES 1 THROUGH 20)				$0	$0	$0	$0	$92,660	$1,766,213	$1,858,873
OTHER COMPONENTS										
21. AMCAP Financial Management, Inc.	N/A	01/01/08	12/31/08					$0	$0	$0
22. Eva Care Physical Therapy, Inc.	N/A	01/01/08	12/31/08					9,381	178,816	188,197
23. Ever Care Insurance, Inc.	N/A	01/01/08	12/31/08					7,219	137,604	144,823
24. Evertec, LLC	N/A	01/01/08	12/31/08					39	735	773
25. Evergreen Development and Constructions	N/A	01/01/08	12/31/08					3,836	73,113	76,949
26. Evergreen International Group	N/A	01/01/08	12/31/08					945	18,009	18,954
27. Evergreen Financial Holdings, LLC	N/A	01/01/08	12/31/08					3,139	59,824	62,962
28. Unistaff Registry, LLC	N/A	01/01/08	12/31/08					10,806	205,975	216,781
29.										0
30.										0
31.										0
32.										0
33.										0
34.										0
35.										0
SUBTOTAL (LINES 21 THROUGH 35)				$0	$0	$0	$0	$35,364	$674,076	$709,440
GRAND TOTAL				$0	$0	$0	$0	$128,024	$2,440,289	$2,568,313

(To Sch. 2, Col. 1)

Provider Name	Fiscal Period	Provider Number	Adjustments
EVA CARE GROUP, LLC	JANUARY 1, 2008 THROUGH DECEMBER 31, 2008	NOT APPLICABLE	29

Report References									
	Cost Report			Audit Report					
Adj. No.	CMS-0287-05 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
						RECLASSIFICATIONS OF REPORTED COSTS				
1	B	4	8	8	4.00	New Capital Related Costs - Buildings and Fixtures		$72,262	($5,115)	$67,147 *
	E	27	4	7	21.00	AMCAP Financial Management, Inc.		0	5,115	5,115
						To directly assign a portion of the depreciation expense of the building to a related organization AMCAP Financial Management, Inc. for proper cost allocation. 42 CFR 413.17, 413.20, and 413.24 CMS Pub. 15-1, Sections 1011.5, 2300, and 2304				
2	B	12	8	8	12.00	Salaries and Wages of Others		$1,673,451	($1,675,976)	($2,525) *
	B	13	8	8	13.00	Payroll Taxes		132,394	(132,394)	0
	B	14	8	8	14.00	Employee Benefits - Payroll Related		70,339	(70,339)	0
	B	28	8	8	28.00	Insurance Premiums - Non-Capital Related		8,664	(4,219)	4,445 *
	F-1	33	36	5-1	N/A	Functional Non-Capital Related to be Allocated		0	1,882,928	1,882,928
						To reflect the amount of labor related expenses to be functionally allocated on Schedule 5-1 for proper cost allocation. 42 CFR 413.17, 413.20, and 413.24 CMS Pub. 15-1, Sections 2150.3, 2300, and 2304				
3	B	23	8	8	23.00	Cleaning, Office and Administration Supplies		$116,897	($1,551)	$115,346 *
	E-1	1.05	36	7-1	6.00	Greenfield Care Center of Gardena		0	1,551	1,551
						To directly assign supplies expense to a related organization Greenfield Care Center of Gardena, for proper cost allocation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				
4	B	23	8	8	23.00	Cleaning, Office and Administration Supplies	*	$115,346	($20,000)	$95,346 *
	E-1	27	36	7-1	25.00	Evergreen Development and Construction, Inc.		0	20,000	20,000
						To directly assign consulting fees incurred from the design and construction services to a related organization Evergreen Development and Construction Inc., for proper cost allocation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304				

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider Number	Adjustments
EVA CARE GROUP, LLC	JANUARY 1, 2008 THROUGH DECEMBER 31, 2008	NOT APPLICABLE	29

Report References									
	Cost Report			Audit Report					
Adj. No.	CMS-0287-05 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENTS TO REPORTED COSTS			
5	B	4	8	8	4.00	New Capital Related Costs - Buildings and Fixtures * To adjust depreciation expense to agree with the provider's detailed depreciation schedules. 42 CFR 413.20, 413.24 and 413.134 CMS Pub. 15-1, Sections 102 and 2304	$67,147	($14,617)	$52,530
6	B	5	8	8	5.00	New Capital Related Costs - Movable Equipment To eliminate duplicate property taxes expense. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$55,762	($23,544)	$32,218
7	B	12	8	8	12.00	Salaries and Wages of Others * To adjust reported salaries and wages expenses to the accrual basis. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300, 2302.1, and 2304	($2,525)	$2,525	$0
8	B	22	8	8	22.00	Transportation To eliminate gasoline expenses charged to CitiBusiness credit card incurred by the owner's relative and not by Eva Care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3	$7,486	($335)	$7,151 *
9	B	22	8	8	22.00	Transportation * To eliminate auto lease expense due to insufficient supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$7,151	($2,501)	$4,650 *
10	B	22	8	8	22.00	Transportation * To eliminate gasoline expense due to insufficient supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304	$4,650	($114)	$4,536

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider Number	Adjustments
EVA CARE GROUP, LLC	JANUARY 1, 2008 THROUGH DECEMBER 31, 2008	NOT APPLICABLE	29

Report References									
	Cost Report			Audit Report					
Adj. No.	CMS-0287-05 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENTS TO REPORTED COSTS			
11	B	23	8	8	23.00	Cleaning, Office and Administration Supplies *	$95,346	($30,000)	$65,346 *
						To eliminate consulting fees expense not related to patient care.			
						42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3			
12	B	23	8	8	23.00	Cleaning, Office and Administration Supplies *	$65,346	($1,867)	$63,479 *
						To eliminate various office supplies expenses due to insufficient supporting documentation.			
						42 CFR 413.20 and 413.24			
						CMS Pub. 15-1, Sections 2300 and 2304			
13	B	23	8	8	23.00	Cleaning, Office and Administration Supplies *	$63,479	($4,988)	$58,491 *
						To eliminate computers expenses not related to patient care.			
						42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3			
14	B	23	8	8	23.00	Cleaning, Office and Administration Supplies *	$58,491	($3,382)	$55,109 *
						To eliminate various supplies expenses that are not related to patient care.			
						42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3			
15	B	23	8	8	23.00	Cleaning, Office and Administration Supplies *	$55,109	($1,839)	$53,270
						To eliminate supplies expenses due to lack of documentation.			
						42 CFR 413.20 and 413.24			
						CMS Pub. 15-1, Sections 2300 and 2304			
16	B	28	8	8	28.00	Insurance Premiums - Non-Capital Related *	$4,445	($3,684)	$761 *
						To eliminate worker's compensation premium due to insufficient supporting documentation.			
						42 CFR 413.20 and 413.24			
						CMS Pub. 15-1, Sections 2300 and 2304			
17	B	28	8	8	28.00	Insurance Premiums - Non-Capital Related *	$761	($514)	$247 *
						To eliminate insurance expense charged to the CitiBusiness credit card incurred by the owner's relative and not by Eva Care.			
						42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3			

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						ADJUSTMENTS TO REPORTED COSTS			
18	B	28	8	8	28.00	Insurance Premiums - Non-Capital Related *	$247	($247)	$0
						To eliminate AAA insurance expense due to insufficient supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
19	B	29	8	8	29.00	Taxes and Licenses - Non-Capital Related	$16,006	($5,894)	$10,112 *
						To eliminate reported state income taxes. 42 CFR 413.9 and 413.20 CMS Pub. 15-1, Sections 2122.2A and 2122.2B			
20	B	29	8	8	29.00	Taxes and Licenses - Non-Capital Related *	$10,112	($1,344)	$8,768 *
						To eliminate licenses and fees expenses charged to CitiBusiness credit card due to lack of supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
21	B	29	8	8	29.00	Taxes and Licenses - Non-Capital Related *	$8,768	($8,045)	$723
						To eliminate license expense due to lack of supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
22	B	34	8	8	34.00	Seminars	$25,175	($10,982)	$14,193 *
						To eliminate education expenses charged to the CitiBusiness credit card due to lack of supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			
23	B	34	8	8	34.00	Seminars *	$14,193	($2,488)	$11,705 *
						To eliminate education expense due to lack of supporting documentation. 42 CFR 413.20 and 413.24 CMS Pub. 15-1, Sections 2300 and 2304			

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						ADJUSTMENTS TO REPORTED COSTS			
24	B	34	8	8	34.00	Seminars *	$11,705	($5,906)	$5,799
						To eliminate tuition expenses charged to the CitiBusiness credit card incurred by the owner's relative and not by Eva Care. 42 CFR 413.9(c)(3) / CMS Pub. 15-1, Section 2102.3			
25	B	35	8	8	35.00	Purchased Services	$303,048	($300,000)	$3,048
						To eliminate consulting fees paid to Industrial Personnel and Management Services, Inc. due to insufficient documentation. 42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304			

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						ADJUSTMENTS TO REPORTED STATISTICS			
26	F-1	1	36	6-1	1.00	Empress Care Center	0	4,719,928	4,719,928
	F-1	1.01	36	6-1	2.00	Greenfield Care Center of Fairfield	0	5,420,401	5,420,401
	F-1	1.02	36	6-1	3.00	Greenfield Care Center of Fullerton	0	5,325,023	5,325,023
	F-1	1.03	36	6-1	4.00	Greenfield Care Center of South Gate	0	4,262,037	4,262,037
	F-1	1.04	36	6-1	5.00	Montclair Manor Care Center	0	3,332,622	3,332,622
	F-1	1.05	36	6-1	6.00	Greenfield Care Center of Gardena	0	2,618,230	2,618,230
	F-1	1.06	36	6-1	7.00	Kit Carson Nursing and Rehabilitation Center	0	8,310,022	8,310,022
	F-1	Not Reported	36	6-1	8.00	Medical Center Convalescent Hospital	0	949,667	949,667
	F-1	Not Reported	36	6-1	21.00	AMCAP Financial Management, Inc.	0	1,002,425	1,002,425
	F-1	27	36	6-1	22.00	Eva Care Physical Therapy, Inc.	0	2,992,636	2,992,636
	F-1	27	36	6-1	23.00	Ever Care Insurance, Inc.	0	2,302,923	2,302,923
	F-1	27	36	6-1	24.00	Evertec, LLC	0	12,295	12,295
	F-1	27	36	6-1	25.00	Evergreen Development and Construction, Inc.	0	1,243,608	1,243,608
	F-1	27	36	6-1	26.00	Evergreen International Group	0	301,400	301,400
	F-1	27	36	6-1	27.00	Evergreen Financial Holding, LLC	0	1,001,199	1,001,199
	F-1	27	36	6-1	28.00	Unistaff Registry, LLC	0	3,447,168	3,447,168
						To include cost allocation statistics in order to functionally allocate salaries and employee benefits expenses. 42 CFR 413.17. 413.20, and 413.24 CMS Pub. 15-1, Sections 2150.3, 2300, and 2304			
27	G	1	1	4	1.00	Empress Care Center	4,711,322	8,606	4,719,928
	G	1.01	1	4	2.00	Greenfield Care Center of Fairfield	5,355,800	64,601	5,420,401
	G	1.02	1	4	3.00	Greenfield Care Center of Fullerton	5,332,646	(7,623)	5,325,023
	G	1.03	1	4	4.00	Greenfield Care Center of South Gate	4,268,070	(6,033)	4,262,037
	G	1.04	1	4	5.00	Montclair Manor Care Center	3,328,203	4,419	3,332,622
	G	1.05	1	4	6.00	Greenfield Care Center of Gardena	2,408,053	210,177	2,618,230
	G	1.06	1	4	7.00	Kit Carson Nursing and Rehabilitation Center	4,155,011	4,155,011	8,310,022
						To adjust the pooled allocation statistics for nursing facilities to agree with the general ledgers for proper home office cost allocation. 42 CFR 413.17. 413.20, and 413.24 CMS Pub. 15-1, Sections 2150.3, 2300, and 2304			

Provider Name	Fiscal Period	Provider Number	Adjustments
EVA CARE GROUP, LLC	JANUARY 1, 2008 THROUGH DECEMBER 31, 2008	NOT APPLICABLE	29

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Adj. No.	CMS-0287-05 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENTS TO REPORTED STATISTICS			
28	G	Not Reported	1	4	8.00	Medical Center Convalescent Hospital To include the pooled allocation statistics for Medical Center Convalescent Hospital since Eva Care owned the facility as of November 1, 2008 for proper home office cost allocation. 42 CFR 413.17. 413.20, and 413.24 CMS Pub. 15-1, Sections 2150.3, 2300, and 2304	0	949,667	949,667
29	G	27	1	4	25.00	Evergreen Development and Construction, Inc. To adjust the pooled allocation statistics for other managed facility for proper home office cost allocation. 42 CFR 413.17. 413.20, and 413.24 CMS Pub. 15-1, Sections 2150.3, 2300, and 2304	1,223,608	20,000	1,243,608