

**REPORT
ON THE
HOME OFFICE AUDIT**

**FORESIGHT MANAGEMENT SERVICES, LLC
SAN RAMON, CALIFORNIA**

**FISCAL PERIOD ENDED
DECEMBER 31, 2009**

**Audits Section - Richmond
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Louise Wong
Audit Supervisor: David Mui
Auditor: Li Jing Yu**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 10, 2011

Michelle Lewis
Accounting Supervisor
Foresight Management Services, LLC
5000 Executive Parkway, Suite 150
San Ramon, CA 94583

FORESIGHT MANAGEMENT SERVICES
FISCAL PERIOD ENDED DECEMBER 31, 2009

We have examined the Medi-Cal Home Office cost report for the fiscal period ended December 31, 2009. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

This Audit Report includes the:

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

Michelle Lewis
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If you have questions regarding this report, you may call the Audits Section - Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief
Audits Section - Richmond
Financial Audits Branch

Certified

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

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		CAPITAL RELATED (SCHEDULE 3) 1	NONCAPITAL RELATED (SCHEDULE 3-1) 2	TOTAL AUDITED H.O. COSTS (COLUMN 1 + 2) 3	
		FROM	TO				
<u>HEALTH CARE FACILITIES</u>							
1.	MCCLURE CONVALESCENT HOSPITAL	ZZR55067G	01/01/09	12/31/09	\$13,828	\$231,100	\$244,928
2.	NORTHGATE CONVALESCENT HOSPITAL	ZZR18405G	01/01/09	12/31/09	8,175	136,627	144,802
3.	SAN BRUNO SKILLED NURSING FACILITY	ZZR18193G	01/01/09	12/31/09	7,964	133,097	141,061
4.	VALLEY POINTE NURSING CENTER	ZZR55082H	01/01/09	12/31/09	9,011	150,593	159,603
5.	WOODLAND NURSING INN	LTC06469G	01/01/09	12/31/09	4,691	78,406	83,097
6.	ALL SAINTS SUBACUTE AND REHABILITATION CENTER	LTC55809F	01/01/09	12/31/09	27,266	455,704	482,970
7.	BROOKSIDE SKILLED NURSING HOSPITAL	ZZR05188G	01/01/09	12/31/09	15,404	257,451	272,855
8.	REUTLINGER COMMUNITY FOR JEWISH LIVING	ZZR05188G	01/01/09	12/31/09	26,552	443,763	470,315
9.	ST. JOHN KRONSTADT CONVALESCENT CENTER	ZZR55016G	01/01/09	12/31/09	8,471	141,578	150,050
10.	GS CALISTOGA, INC	ZZR05224I	01/01/09	12/31/09	7,225	120,749	127,974
11.	CONVALESCENT CENTER MISSION STREET	ZZR06449I	01/01/09	12/31/09	10,173	170,026	180,199
12.	SHASTA VIEW NURSING CENTER	ZZR05807H	01/01/09	12/31/09	8,068	134,840	142,908
13.	VISTA DEL SOL CARE CENTER	ZZT05599I	01/01/09	12/31/09	8,429	140,871	149,299
SUBTOTAL (LINES 1 THROUGH 13)					\$155,256	\$2,594,805	\$2,750,061
<u>OTHER COMPONENTS</u>							
14.	FOREREHAB THERAPY SERVICES	N/A	01/01/09	12/31/09	\$5,061	\$84,590	\$89,651
15.	PROFESSIONAL HEALTH SERVICES	N/A	01/01/09	12/31/09	1,552	25,939	27,491
SUBTOTAL (LINES 14 THROUGH 15)					\$6,613	\$110,529	\$117,142
GRAND TOTAL					\$161,869	\$2,705,334	\$2,867,203

COMPARISON OF REPORTED AND AUDITED HOME OFFICE COSTS

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		REPORTED HOME OFFICE COSTS (SCH. 9) 1	AUDITED H.O. COSTS (SCHS. 3, 3-1) 2	VARIANCE (COLUMN 2-1) 3	
		FROM	TO				
<u>HEALTH CARE FACILITIES</u>							
1.	MCCLURE CONVALESCENT HOSPITAL	ZZR55067G	01/01/09	12/31/09	\$250,397	\$244,928	(\$5,470)
2.	NORTHGATE CONVALESCENT HOSPITAL	ZZR18405G	01/01/09	12/31/09	150,591	144,802	(5,789)
3.	SAN BRUNO SKILLED NURSING FACILITY	ZZR18193G	01/01/09	12/31/09	142,753	141,061	(1,692)
4.	VALLEY POINTE NURSING CENTER	ZZR55082H	01/01/09	12/31/09	163,262	159,603	(3,659)
5.	WOODLAND NURSING INN	LTC06469G	01/01/09	12/31/09	81,844	83,097	1,253
6.	ALL SAINTS SUBACUTE AND REHABILITATION CENTER	LTC55809F	01/01/09	12/31/09	475,032	482,970	7,938
7.	BROOKSIDE SKILLED NURSING HOSPITAL	ZZR05188G	01/01/09	12/31/09	278,044	272,855	(5,189)
8.	REUTLINGER COMMUNITY FOR JEWISH LIVING	ZZR05188G	01/01/09	12/31/09	468,163	470,315	2,152
9.	ST. JOHN KRONSTADT CONVALESCENT CENTER	ZZR55016G	01/01/09	12/31/09	151,274	150,049	(1,225)
10.	GS CALISTOGA, INC	ZZR05224I	01/01/09	12/31/09	126,047	127,974	1,927
11.	CONVALESCENT CENTER MISSION STREET	ZZR06449I	01/01/09	12/31/09	187,694	180,199	(7,495)
12.	SHASTA VIEW NURSING CENTER	ZZR05807H	01/01/09	12/31/09	141,986	142,907	922
13.	VISTA DEL SOL CARE CENTER	ZZT05599I	01/01/09	12/31/09	148,849	149,299	450
SUBTOTAL (LINES 1 THROUGH 13)					\$2,765,936	\$2,750,061	(\$15,875)
<u>OTHER COMPONENTS</u>							
14.	FOREREHAB THERAPY SERVICES	N/A	01/01/09	12/31/09	\$88,299	\$89,651	\$1,352
15.	PROFESSIONAL HEALTH SERVICES	N/A	01/01/09	12/31/09	27,078	27,491	413
SUBTOTAL (LINES 14 THROUGH 15)					\$115,377	\$117,142	\$1,765
GRAND TOTAL					\$2,881,313	\$2,867,203	(\$14,110)

SUMMARY ALLOCATION OF HOME OFFICE COSTS - CAPITAL RELATED

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT CAPITAL COSTS 1	FUNCTIONAL CAPITAL COSTS 2	POOLED CAPITAL COSTS (SCH. 4) 3	TOTAL CAPITAL COSTS (COL. 1 TO 3)	
		FROM	TO					
<u>HEALTH CARE FACILITIES</u>								
1.	MCCLURE CONVALESCENT HOSPITAL	ZZR55067G	01/01/09	12/31/09	\$0	\$0	\$13,827	\$13,828
2.	NORTHGATE CONVALESCENT HOSPITAL	ZZR18405G	01/01/09	12/31/09	0	0	8,175	8,175
3.	SAN BRUNO SKILLED NURSING FACILITY	ZZR18193G	01/01/09	12/31/09	0	0	7,964	7,964
4.	VALLEY POINTE NURSING CENTER	ZZR55082H	01/01/09	12/31/09	0	0	9,010	9,011
5.	WOODLAND NURSING INN	LTC06469G	01/01/09	12/31/09	0	0	4,691	4,691
6.	ALL SAINTS SUBACUTE AND REHABILITATION CENTER	LTC55809F	01/01/09	12/31/09	0	0	27,266	27,266
7.	BROOKSIDE SKILLED NURSING HOSPITAL	ZZR05188G	01/01/09	12/31/09	0	0	15,404	15,404
8.	REUTLINGER COMMUNITY FOR JEWISH LIVING	ZZR05188G	01/01/09	12/31/09	0	0	26,552	26,552
9.	ST. JOHN KRONSTADT CONVALESCENT CENTER	ZZR55016G	01/01/09	12/31/09	0	0	8,471	8,471
10.	GS CALISTOGA, INC	ZZR05224I	01/01/09	12/31/09	0	0	7,225	7,225
11.	CONVALESCENT CENTER MISSION STREET	ZZR06449I	01/01/09	12/31/09	0	0	10,173	10,173
12.	SHASTA VIEW NURSING CENTER	ZZR05807H	01/01/09	12/31/09	0	0	8,068	8,068
13.	VISTA DEL SOL CARE CENTER	ZZT05599I	01/01/09	12/31/09	0	0	8,429	8,429
SUBTOTAL (LINES 1 THROUGH 13)					\$0	\$0	\$155,256	\$155,256
<u>OTHER COMPONENTS</u>								
14.	FOREREHAB THERAPY SERVICES	N/A	01/01/09	12/31/09	\$0	\$0	\$5,061	\$5,061
15.	PROFESSIONAL HEALTH SERVICES	N/A	01/01/09	12/31/09	0	0	1,552	1,552
SUBTOTAL (LINES 14 THROUGH 15)					\$0	\$0	\$6,613	\$6,613
GRAND TOTAL					\$0	\$0	\$161,869	\$161,869

(To Schedule 1 & 2)

SUMMARY ALLOCATION OF HOME OFFICE COSTS - NONCAPITAL RELATED

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

	MEDI-CAL NUMBER	FISCAL PERIODS ENDING DURING HOME OFFICE FISCAL YEAR		DIRECT COSTS 1	FUNCTIONAL COSTS 2	POOLED COSTS (SCH. 4) 3	TOTAL NONCAPITAL COSTS (COL. 1 TO 3)
		FROM	TO				
<u>HEALTH CARE FACILITIES</u>							
1. MCCLURE CONVALESCENT HOSPITAL	ZZR55067G	01/01/09	12/31/09	\$0	\$0	\$231,100	\$231,100
2. NORTHGATE CONVALESCENT HOSPITAL	ZZR18405G	01/01/09	12/31/09	0	0	136,627	136,627
3. SAN BRUNO SKILLED NURSING FACILITY	ZZR18193G	01/01/09	12/31/09	0	0	133,097	133,097
4. VALLEY POINTE NURSING CENTER	ZZR55082H	01/01/09	12/31/09	0	0	150,593	150,593
5. WOODLAND NURSING INN	LTC06469G	01/01/09	12/31/09	0	0	78,406	78,406
6. ALL SAINTS SUBACUTE AND REHABILITATION CENTER	LTC55809F	01/01/09	12/31/09	0	0	455,704	455,704
7. BROOKSIDE SKILLED NURSING HOSPITAL	ZZR05188G	01/01/09	12/31/09	0	0	257,451	257,451
8. REUTLINGER COMMUNITY FOR JEWISH LIVING	ZZR05188G	01/01/09	12/31/09	0	0	443,763	443,763
9. ST. JOHN KRONSTADT CONVALESCENT CENTER	ZZR55016G	01/01/09	12/31/09	0	0	141,578	141,578
10. GS CALISTOGA, INC	ZZR05224I	01/01/09	12/31/09	0	0	120,749	120,749
11. CONVALESCENT CENTER MISSION STREET	ZZR06449I	01/01/09	12/31/09	0	0	170,026	170,026
12. SHASTA VIEW NURSING CENTER	ZZR05807H	01/01/09	12/31/09	0	0	134,840	134,840
13. VISTA DEL SOL CARE CENTER	ZZT05599I	01/01/09	12/31/09	0	0	140,871	140,871
SUBTOTAL (LINES 1 THROUGH 13)				\$0	\$0	\$2,594,805	\$2,594,805
<u>OTHER COMPONENTS</u>							
14. FOREREHAB THERAPY SERVICES	N/A	01/01/09	12/31/09	\$0	\$0	\$84,590	\$84,590
15. PROFESSIONAL HEALTH SERVICES	N/A	01/01/09	12/31/09	0	0	25,939	25,939
SUBTOTAL (LINES 14 THROUGH 15)				\$0	\$0	\$110,529	\$110,529
GRAND TOTAL				\$0	\$0	\$2,705,334	\$2,705,334

(To Schedule 1 & 2)

POOLED ALLOCATION OF HOME OFFICE COSTS TO CHAIN COMPONENTS

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

	MEDI-CAL NUMBER	TOTAL COST (SCH. G, COL. 1) 1	CAPITAL (SCH. 8) 2	NONCAPITAL (SCH. 8) 3	TOTAL POOLED (COL. 2 + 3) 4	
HEALTH CARE FACILITIES						
(Adj 5)						
1.	MCCLURE CONVALESCENT HOSPITAL	ZZR55067G	\$6,249,040	\$13,827	\$231,100	\$244,928
2.	NORTHGATE CONVALESCENT HOSPITAL	ZZR18405G	3,694,460	8,175	136,627	144,802
3.	SAN BRUNO SKILLED NURSING FACILITY	ZZR18193G	3,599,007	7,964	133,097	141,061
4.	VALLEY POINTE NURSING CENTER	ZZR55082H	4,072,089	9,010	150,593	159,603
5.	WOODLAND NURSING INN	LTC06469G	2,120,128	4,691	78,406	83,097
6.	ALL SAINTS SUBACUTE AND REHABILITATION CENTER	LTC55809F	12,322,422	27,266	455,704	482,970
7.	BROOKSIDE SKILLED NURSING HOSPITAL	ZZR05188G	6,961,580	15,404	257,451	272,855
8.	REUTLINGER COMMUNITY FOR JEWISH LIVING	ZZR05188G	11,999,523	26,552	443,763	470,315
9.	ST. JOHN KRONSTADT CONVALESCENT CENTER	ZZR55016G	3,828,336	8,471	141,578	150,049
10.	GS CALISTOGA, INC	ZZR05224I	3,265,101	7,225	120,749	127,974
11.	CONVALESCENT CENTER MISSION STREET	ZZR06449I	4,597,575	10,173	170,026	180,199
12.	SHASTA VIEW NURSING CENTER	ZZR05807H	3,646,116	8,068	134,840	142,907
13.	VISTA DEL SOL CARE CENTER	ZZT05599I	3,809,196	8,429	140,871	149,299
SUBTOTAL (LINES 1 THROUGH 13)			\$70,164,573	\$155,256	\$2,594,805	\$2,750,061
OTHER COMPONENTS						
14.	FOREREHAB THERAPY SERVICES	N/A	\$2,287,341	\$5,061	\$84,590	\$89,651
15.	PROFESSIONAL HEALTH SERVICES	N/A	701,401	1,552	25,939	27,491
SUBTOTAL (LINES 14 THROUGH 15)			\$2,988,742	\$6,613	\$110,529	\$117,142
GRAND TOTAL			\$73,153,315	\$161,869	\$2,705,334	\$2,867,203
			(To Schedule 3) (To Schedule 3-1)			
MULTIPLIER				0.002213	0.036982	

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

LINE NO.	COST CENTER DESCRIPTION	REPORTED POOLED ALLOC. (SCH. B, COL 8)	ADJ. NO.	ADJUSTMENT AMOUNTS	AUDITED POOLED COSTS
CAPITAL-RELATED COSTS - OLD					
1.00	Old Cap. Related-Buildings and Fixtures	\$0		\$0	\$0
2.00	Old Cap. Related-Movable Equipment	0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
CAPITAL-RELATED COSTS - NEW					
4.00	New Cap. Related-Buildings and Fixtures	\$145,832	1	(\$14,726)	\$131,106
5.00	New Cap. Related-Movable Equipment	16,037		0	16,037
6.00	SUBTOTAL (sum of lines 4 through 5.00)	<u>\$161,869</u>		<u>(\$14,726)</u>	<u>\$147,143</u>
OTHER CAPITAL-RELATED COSTS					
7.00	Insurance Premiums	\$0	1	\$8,518	\$8,518
8.00	Taxes and Licenses - Not INCM	0	1	6,208	6,208
9.00	Other	0		0	0
10.00	SUBTOTAL (sum of lines 7 through 9)	<u>\$0</u>		<u>\$14,726</u>	<u>\$14,726</u>
NON CAPITAL-RELATED COSTS					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries and Wages of Others	1,861,269		0	1,861,269
13.00	Payroll Taxes	118,574		0	118,574
14.00	Employee Benefits - Payroll Related	214,257	4	(1,105)	213,152
15.00	Employee Benefits - Nonpayroll Related	21,355		0	21,355
16.00	Profit Sharing/Pension Plans	15,059		0	15,059
17.00	Legal Fees	1,318		0	1,318
18.00	Auditing and Accounting Fees	127,223		0	127,223
19.00	Utilities	14,169		0	14,169
20.00	Communications	33,696		0	33,696
21.00	Travel and Entertainment	56,931		0	56,931
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	24,438		0	24,438
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs and Maintenance	72,368		0	72,368
26.00	Dues and Subscriptions	21,603	2	(6,000)	15,603
27.00	Contributions	0		0	0
28.00	Insurance Premium - Noncapital Related	6,358		0	6,358
29.00	Taxes and Licenses - Noncapital Related	5,000		0	5,000
30.00	Interest Expense	0		0	0
31.00	Miscellaneous	31,768	3	(7,005)	24,763
32.00	Postage	12,746		0	12,746
33.00	Seminars/Training	46,839		0	46,839
34.00	Service Development/Bad Debts	34,473		0	34,473
36.00	SUBTOTAL (sum of lines 11 through 34.00)	<u>\$2,719,444</u>		<u>(\$14,110)</u>	<u>\$2,705,334</u>
37.00	TOTAL ALLOWABLE EXPENSES	<u>\$2,881,313</u>		<u>(\$14,110)</u>	<u>\$2,867,203</u> (To Sch. 4)
38.00	NONREIMBURSABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
	TOTAL EXPENSES	<u>\$2,881,313</u>		<u>(\$14,110)</u>	<u>\$2,867,203</u>

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
 FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
 DECEMBER 31, 2009

LINE NO.	COST CENTER DESCRIPTION	REPORTED DIRECT ALLOC. (SCH. B, COL 6)	ADJ. NO.	ADJUSTMENT AMOUNTS	AUDITED DIRECT COSTS
CAPITAL-RELATED COSTS - OLD					
1.00	Old Cap. Related-Buildings and Fixtures	\$0		\$0	\$0
2.00	Old Cap. Related-Movable Equipment	0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
CAPITAL-RELATED COSTS - NEW					
4.00	New Cap. Related-Buildings and Fixtures	\$0		\$0	\$0
5.00	New Cap. Related-Movable Equipment	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
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)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
NON CAPITAL-RELATED COSTS					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries and Wages of Others	0		0	0
13.00	Payroll Taxes	0		0	0
14.00	Employee Benefits - Payroll Related	0		0	0
15.00	Employee Benefits - Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing and Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel and Entertainment	0		0	0
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs and Maintenance	0		0	0
26.00	Dues and Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium - Noncapital Related	0		0	0
29.00	Taxes and Licenses - Noncapital 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	Seminars/Training	0		0	0
34.00	Service Development/Bad Debts	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 34.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
37.00	TOTAL ALLOWABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
38.00	NONREIMBURSABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
	TOTAL EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>

TRIAL BALANCE OF EXPENSES

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

LINE NO.	COST CENTER DESCRIPTION	REPORTED FUNCTIONAL COSTS (SCH. B, COL 7)	ADJ. NO.	ADJUSTMENT AMOUNTS	AUDITED FUNCTIONAL COSTS
CAPITAL-RELATED COSTS - OLD					
1.00	Old Cap. Related-Buildings and Fixtures	\$0		\$0	\$0
2.00	Old Cap. Related-Movable Equipment	0		0	0
3.00	SUBTOTAL (sum of lines 1 through 2.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
CAPITAL-RELATED COSTS - NEW					
4.00	New Cap. Related-Buildings and Fixtures	\$0		\$0	\$0
5.00	New Cap. Related-Movable Equipment	0		0	0
6.00	SUBTOTAL (sum of lines 4 through 5.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
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)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
NON CAPITAL-RELATED COSTS					
11.00	Salaries of Officers	\$0		\$0	\$0
12.00	Salaries and Wages of Others	0		0	0
13.00	Payroll Taxes	0		0	0
14.00	Employee Benefits - Payroll Related	0		0	0
15.00	Employee Benefits - Nonpayroll Related	0		0	0
16.00	Profit Sharing/Pension Plans	0		0	0
17.00	Legal Fees	0		0	0
18.00	Auditing and Accounting Fees	0		0	0
19.00	Utilities	0		0	0
20.00	Communications	0		0	0
21.00	Travel and Entertainment	0		0	0
22.00	Transportation	0		0	0
23.00	Cleaning Office and Admin Supplies	0		0	0
24.00	Minor Equipment Expensed	0		0	0
25.00	Repairs and Maintenance	0		0	0
26.00	Dues and Subscriptions	0		0	0
27.00	Contributions	0		0	0
28.00	Insurance Premium - Noncapital Related	0		0	0
29.00	Taxes and Licenses - Noncapital 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	Seminars/Training	0		0	0
34.00	Service Development/Bad Debts	0		0	0
36.00	SUBTOTAL (sum of lines 11 through 34.00)	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
37.00	TOTAL ALLOWABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
38.00	NONREIMBURSABLE EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
	TOTAL EXPENSES	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>

REPORTED HOME OFFICE COSTS

HOME OFFICE NAME:
FORESIGHT MANAGEMENT SERVICES, LLC

FISCAL PERIOD ENDED:
DECEMBER 31, 2009

	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)		
HEALTH CARE FACILITIES											
1.	MCCLURE CONVALESCENT HOSPITAL	ZZR55067G	01/01/09	12/31/09					\$14,067	\$236,330	\$250,397
2.	NORTHGATE CONVALESCENT HOSPITAL	ZZR18405G	01/01/09	12/31/09					8,460	142,131	150,591
3.	SAN BRUNO SKILLED NURSING FACILITY	ZZR18193G	01/01/09	12/31/09					8,020	134,733	142,753
4.	VALLEY POINTE NURSING CENTER	ZZR55082H	01/01/09	12/31/09					9,172	154,090	163,262
5.	WOODLAND NURSING INN	LTC06469G	01/01/09	12/31/09					4,598	77,246	81,844
6.	ALL SAINTS SUBACUTE AND REHABILITATION CEN	LTC55809F	01/01/09	12/31/09					26,685	448,347	475,032
7.	BROOKSIDE SKILLED NURSING HOSPITAL	ZZR05188G	01/01/09	12/31/09					15,621	262,423	278,044
8.	REUTLINGER COMMUNITY FOR JEWISH LIVING	ZZR05188G	01/01/09	12/31/09					26,301	441,862	468,163
9.	ST. JOHN KRONSTADT CONVALESCENT CENTER	ZZR55016G	01/01/09	12/31/09					8,498	142,776	151,274
10.	GS CALISTOGA, INC	ZZR05224I	01/01/09	12/31/09					7,082	118,965	126,047
11.	CONVALESCENT CENTER MISSION STREET	ZZR06449I	01/01/09	12/31/09					10,545	177,149	187,694
12.	SHASTA VIEW NURSING CENTER	ZZR05807H	01/01/09	12/31/09					7,976	134,010	141,986
13.	VISTA DEL SOL CARE CENTER	ZZT05599I	01/01/09	12/31/09					8,362	140,487	148,849
SUBTOTAL (LINES 1 THROUGH 13)									\$155,387	\$2,610,549	\$2,765,936
OTHER COMPONENTS											
14.	FOREREHAB THERAPY SERVICES	N/A	01/01/09	12/31/09					\$4,960	\$83,339	\$88,299
15.	PROFESSIONAL HEALTH SERVICES	N/A	01/01/09	12/31/09					1,522	25,556	27,078
SUBTOTAL (LINES 14 THROUGH 15)									\$6,482	\$108,895	\$115,377
GRAND TOTAL									\$161,869	\$2,719,444	\$2,881,313

(To Sch. 2, Col. 1)

Provider Name						Fiscal Period		Provider Number		Adjustments
FORESIGHT MANAGEMENT SERVICES						JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		N/A		5
Report References						Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	CMS	Line	Col.	Sch	Line					
RECLASSIFICATION OF REPORTED POOLED COSTS										
1	B	4	5	8	4.00	New Capital Related Costs - Buildings and Fixtures	\$145,832	(\$14,726)	\$131,106	
	B	7	5	8	7.00	Insurance Premiums	0	8,518	8,518	
	B	8	5	8	8.00	Taxes and Licenses - Other	0	6,208	6,208	
						To reclassify capital related insurance premiums and taxes to its own line for proper cost determination.				
						CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name						Fiscal Period		Provider Number		Adjustments
FORESIGHT MANAGEMENT SERVICES						JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		N/A		5
Report References						Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Cost Report			Audit Report							
Adj. No.	CMS	Line	Col.	Sch	Line					
<u>ADJUSTMENTS TO REPORTED POOLED COSTS</u>										
2	B	25	5	8	25.00	Repairs and Maintenance To eliminate the amounts paid into a maintenance fund as this amount should be capitalized. CMS Pub. 15-1, Sections 2300 and 2304	\$72,368	(\$6,000)	\$66,368	
3	B	31	5	8	31.00	Miscellaneous To offset other income due to insufficient documentation. CMS Pub. 15-1, Sections 2300 and 2304	\$31,768	(\$7,005)	\$24,763	
4	B	14	5	8	14.00	Employee Benefits - Payroll Related To adjust workers' compensation expense to agree with the provider's records. CMS Pub. 15-1, Sections 2300 and 2304	\$214,257	(\$1,105)	\$213,152	

Provider Name						Fiscal Period	Provider Number		Adjustments
FORESIGHT MANAGEMENT SERVICES						JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	N/A		5
Report References						Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report						
Adj. No.	CMS	Line	Col.	Sch	Line				
ADJUSTMENTS TO OTHER MATTERS									
5	G	1	1	4	1	McClure Convalescent Hospital	\$6,736,755	(\$487,715)	\$6,249,040
	G	2	1	4	2	Northgate Care Center	4,051,566	(357,106)	3,694,460
	G	3	1	4	3	San Bruno Skilled Nursing	3,840,633	(241,626)	3,599,007
	G	4	1	4	4	Valley Pointe Nursing and Rehabilitation	4,392,448	(320,359)	4,072,089
	G	5	1	4	5	Woodland Nursing Inc.	2,201,972	(81,844)	2,120,128
	G	6	1	4	6	All Saints Subacute and Rehabilitation	12,780,368	(457,946)	12,322,422
	G	7	1	4	7	Brookside Skilled Nursing	7,480,531	(518,951)	6,961,580
	G	8	1	4	8	Reutlinger Community for Jewish	12,595,559	(596,036)	11,999,523
	G	9	1	4	9	St John Kronstadt Convalescent Hospital	4,069,936	(241,600)	3,828,336
	G	10	1	4	10	GS Calistoga, Inc.	3,391,148	(126,047)	3,265,101
	G	11	1	4	11	Convalescent Center Mission Street	5,049,768	(452,193)	4,597,575
	G	12	1	4	12	Shasta View Nursing Center	3,820,071	(173,955)	3,646,116
	G	13	1	4	13	Vista Del Sol Care Center	4,004,653	(195,457)	3,809,196
						To adjust the facilities' total costs to agree with their audit reports as of December 31, 2009 for proper cost determination. CMS Pub. 15-1, Sections 2300 and 2304			