REPORT
ON THE
RATE SETTING AUDIT

NORWOOD PINES CARE CENTER
SACRAMENTO, CALIFORNIA
PROVIDER NUMBERS: ZZR06045K / NPI 1801892096

FISCAL PERIOD ENDED
DECEMBER 31. 2007

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

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

DAVID MAXWELL-JOLLY
Director

ARNOLD SCHWARZENEGGER
Governor

January 27, 2009

Geeske Whitehouse, Administrator
Norwood Pines Care Center
500 Jessie Avenue
Sacramento, CA 95838

PROVIDER: NORWOOD PINES CARE CENTER
PROVIDER NOS. ZZR06045K / NPI 1801892096
FISCAL PERIOD ENDED DECEMBER 31, 2007

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

In our opinion, the data presented in the accompanying Summary of Audited Facility Cost per Patient Day represents a proper determination of the allowable costs and patient days for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

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

2. Audit Adjustments Schedule

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

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
Office of Administrative Appeals and Hearings
1029 J Street, Suite 200
Sacramento, CA 95814-2825
(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 95899-7413

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 95814-5005
(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—Burbank at (818) 295-2620.

Original Signed By

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

Certified

STATE OF CALIFORNIA

SCHEDULE 1

SUMMARY OF AUDITED FACILITY COST PER PATIENT DAY

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility No.:
206340789

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
	SKILLED NURSING CARE			
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	$ N/A	$ 4,865,556	$ 89.73
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	$ N/A	$ 1,093,561	$ 20.17
3	Cost of Direct and Indirect NonLabor - Other (Sch. 4, Ln. 105)	$ N/A	$ 894,578	$ 16.50
4	Cost of Capital Related (Sch. 5, Ln. 105)	$ N/A	$ 119,067	$ 2.20
5	Property Taxes (Sch. 5, Ln. 105)	$ N/A	$ 22,552	$ 0.42
6	DHS Licensing Fees (Sch. 6, Ln. 105)	$ N/A	$ 31,621	$ 0.58
7	Liability Insurance (Sch. 6, Ln. 105)	$ N/A	$ 343,162	$ 6.33
8	Caregiver Training (Sch. 6, Ln. 105)	$ N/A	$ 0	$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	$ N/A	$ 411,143	$ 7.58
10	Cost of Administration (Sch. 6, Ln. 105)	$ N/A	$ 1,145,625	$ 21.13
11	Cost of Routine Service/Audited Total Costs	$ 8,991,224	$ 8,926,867	$ 164.62
12	Total Patient Days (Adj 17)	54,181	54,226	
13	Cost Per Patient Day (Cost Divided by Days)	$ 165.95	$ 164.62	
14	Overpayments (Adj)	$ 0	$ 0	
15	Total Licensed Nursing Facility Beds - Level B (Adj)	161	161	
	INTERMEDIATE CARE			
16	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$ 0	$ 0	
17	Total Patient Days (Adj)	0	0	
18	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
19	Overpayments (Adj)	$ 0	$ 0	
	MENTALLY DISORDERED			
20	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$ 0	$ 0	
21	Total Patient Days (Adj)	0	0	
22	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
23	Overpayments (Adj)	$ 0	$ 0	
	DEVELOPMENTALLY DISABLED			
24	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$ 0	$ 0	
25	Total Patient Days (Adj)	0	0	
26	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
27	Overpayments (Adj)	$ 0	$ 0	
	ADULT SUBACUTE			
28	Cost of Direct Care - Labor (Adult Subacute Sch. 1, Ln. 25)	$ N/A	$ 0	$ 0.00
29	Cost of Indirect Care - Labor (Adult Subacute Sch. 1, Ln. 26)	$ N/A	$ 0	$ 0.00
30	Cost of Direct and Indirect NonLabor - Other (Adult SA Sch. 1, Ln. 27)	$ N/A	$ 0	$ 0.00
31	Cost of Capital Related (Adult Subacute Sch. 1, Ln. 28)	$ N/A	$ 0	$ 0.00
32	Property Taxes (Adult Subacute Sch. 1, Ln. 29)	$ N/A	$ 0	$ 0.00
33	DHS Licensing Fees (Adult Subacute Sch. 1, Ln. 30)	$ N/A	$ 0	$ 0.00
34	Liability Insurance (Adult Subacute Sch. 1, Ln. 31)	$ N/A	$ 0	$ 0.00
35	Caregiver Training (Adult Subacute Sch. 1, Ln. 32)	$ N/A	$ 0	$ 0.00
36	Quality Assurance Fees (Adult Subacute Sch. 1, Ln. 33)	$ N/A	$ 0	$ 0.00
37	Cost of Administration (Adult Subacute Sch., Ln. 34)	$ N/A	$ 0	$ 0.00
38	Total Cost of Subacute Service (Adult Subacute Sch. 1, Ln. 35)	$ 0	$ 0	$ 0.00
39	Total Patient Days (Adult Subacute Sch. 1, Ln. 36)	0	0	
40	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
41	Overpayments (Adult Subacute Sch. 1, Ln. 38 + Ln. 39)	$ 0	$ 0	

STATE OF CALIFORNIA

SCHEDULE 1

SUMMARY OF AUDITED FACILITY COST PER PATIENT DAY

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility No.:
206340789

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
	PEDIATRIC SUBACUTE			
42	Cost of Routine Service (Ped-SA, Sch. 1, Ln 3)	$ 0	$ 0	
43	Cost of Ancillary Service (Ped-SA, Sch. 1, Ln. 1 + Ln. 2)	$ 0	$ 0	
44	Total Cost of Pediatric Subacute Service (Ln. 42 + Ln. 43)	$ 0	$ 0	
45	Total Patient Days (Ped-SA, Sch. 1, Ln. 5)	0	0	
46	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
47	Overpayments (Ped-SA, Sch. 1, Ln. 7 + Ln. 8)	$ 0	$ 0	
	HOSPICE INPATIENT CARE			
48	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$ 0	$ 0	
49	Total Patient Days (Adj)	0	0	
50	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
51	Overpayments (Adj)	$ 0	$ 0	
	OTHER ROUTINE SERVICES			
52	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	$ 0	$ 0	
53	Total Patient Days (Adj)	0	0	
54	Cost Per Patient Day (Cost Divided by Days)	$ 0.00	$ 0.00	
55	Overpayments (Adj)	$ 0	$ 0	

ALLOCATION OF GENERAL SERVICES - LABOR
(DIRECT CARE)

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility No.:
206340789

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs 155	Activities 160	Total	
	GENERAL SERVICES					
5.00	Plant Operations and Maintenance					
10.00	Housekeeping					
60.00	Laundry and Linen					
65.00	Dietary					
155.00	Social Services (Salaries, Fringe Benefits, & Agency Labor)	$ 91,115	$ 91,115			
160.00	Activities (Salaries, Fringe Benefits, & Agency Labor)	147,329		$ 147,329		
165.00	Administration					
165.00	Medical Records					
170.00	Inservice Education - Nursing					
	ANCILLARY SERVICES					
75.00	Patient Supplies	812	0	0	$ 812	
77.00	Specialized Support Surfaces	N/A	0	0	0	
80.00	Physical Therapy	110,057	0	0	110,057	
81.00	Respiratory Therapy	0	0	0	0	
82.00	Occupational Therapy	71,219	0	0	71,219	
83.00	Speech Pathology	73,423	0	0	73,423	
85.00	Pharmacy	79,797	0	0	79,797	
90.00	Laboratory	13,410	0	0	13,410	
95.00	Home Health Services	0	0	0	0	
100.00	Other Ancillary Services	12,305	0	0	12,305	
100.06	Subacute Ancillary Services	0	0	0	0	
100.12	Subacute Pediatrics Ancillary Services	0	0	0	0	
	ROUTINE SERVICES					
105.00	Skilled Nursing Care	4,627,112	91,115	147,329	4,865,556	*
110.00	Intermediate Care	0	0	0	0	*
115.00	Mentally Disordered	0	0	0	0	*
120.00	Developmentally Disabled	0	0	0	0	*
125.00	Subacute Care	0	0	0	0	*
126.00	Subacute Care - Pediatrics	0	0	0	0	*
130.00	Hospice Inpatient Care	0	0	0	0	*
135.00	Other Routine Services	0	0	0	0	*
	NONREIMBURSABLE					
136.00	Residential Care	0	0	0	0	
140.00	Beauty and Barber	0	0	0	0	
145.00	Other Nonreimbursable	0	0	0	0	
	TOTAL	$ 5,226,579	$ 91,115	$ 147,329	$ 5,226,579	

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES - LABOR
(INDIRECT CARE)

Provider Name: NORWOOD PINES CARE CENTER
Provider Number: ZZR06045K
OSHPD Facility Number: 206340789
Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160	In-serv. Ed 170	Accumulated Costs	Admin 165	Medical Records 165	Total	
	GENERAL SERVICES													
5.00	Plant Operations and Maintenance	$ 148,637	$ 148,637											
10.00	Housekeeping	296,949	681	$ 297,630										
60.00	Laundry and Linen	58,841	785	1,579	$ 61,205									
65.00	Dietary	437,888	32,257	64,889	0	$ 535,034								
155.00	Social Services	N/A	623	1,253	0	0	$ 1,875							
160.00	Activities	N/A	551	1,109	0	0	0	$ 1,660						
165.00	Administration	N/A	9,289	18,685	0	0	0	0		$ 27,974	$ 27,974			
165.00	Medical Records	73,531	2,899	5,833	0	0	0	0		82,263		$ 82,263		
170.00	Inservice Education - Nursing	89,456	0	0	0	0	0	0	$ 89,456					
	ANCILLARY SERVICES													
75.00	Patient Supplies		1,686	3,393	0	0	0	0	0	5,079	41	120	$ 5,240	
77.00	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0	
80.00	Physical Therapy		0	0	0	0	0	0	0	0	426	1,253	1,679	
81.00	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0	
82.00	Occupational Therapy		0	0	0	0	0	0	0	0	276	811	1,086	
83.00	Speech Pathology		0	0	0	0	0	0	0	0	284	836	1,120	
85.00	Pharmacy		0	0	0	0	0	0	0	0	309	908	1,217	
90.00	Laboratory		0	0	0	0	0	0	0	0	52	153	205	
95.00	Home Health Services		0	0	0	0	0	0	0	0	0	0	0	
100.00	Other Ancillary Services		0	0	0	0	0	0	0	0	48	140	188	
100.06	Subacute Ancillary Services		0	0	0	0	0	0	0	0	0	0	0	
100.12	Subacute Pediatrics Ancillary Services		0	0	0	0	0	0	0	0	0	0	0	
	ROUTINE SERVICES													
105.00	Skilled Nursing Care		99,541	200,238	61,205	535,034	1,875	1,660	89,456	989,010	26,531	78,021	1,093,561	*
110.00	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0	*
115.00	Mentally Disordered		0	0	0	0	0	0	0	0	0	0	0	*
120.00	Developmentally Disabled		0	0	0	0	0	0	0	0	0	0	0	*
125.00	Subacute Care		0	0	0	0	0	0	0	0	0	0	0	*
126.00	Subacute Care - Pediatrics		0	0	0	0	0	0	0	0	0	0	0	*
130.00	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0	*
135.00	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0	*
	NONREIMBURSABLE													
136.00	Residential Care		0	0	0	0	0	0	0	0	0	0	0	
140.00	Beauty and Barber		324	652	0	0	0	0	0	977	7	21	1,005	
145.00	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0	
	TOTAL	$ 1,105,302	$ 148,637	$ 297,630	$ 61,205	$ 535,034	$ 1,875	$ 1,660	$ 89,456	$ 995,065	$ 27,974	$ 82,263	$ 1,105,302	

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES - OTHER NONLABOR
(DIRECT AND INDIRECT CARE)

Provider Name: NORWOOD PINES CARE CENTER
Provider Number: ZZR06045K
OSHPD Facility Number: 206340789
Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160	In-serv. Ed 170	Accumulated Costs	Admin 165	Medical Records 165	Total	
	GENERAL SERVICES													
5.00	Plant Operations and Maintenance	$ 241,478	$ 241,478											
10.00	Housekeeping	24,907	1,106	$ 26,013										
60.00	Laundry and Linen	71,979	1,275	138	$ 73,392									
65.00	Dietary	364,994	52,405	5,671	0	$ 423,071								
155.00	Social Services	1,560	1,012	109	0	0	$ 2,681							
160.00	Activities	9,352	896	97	0	0	0	$ 10,345						
165.00	Administration	N/A	15,090	1,633	0	0	0	0		$ 16,724	$ 16,724			
165.00	Medical Records	5,144	4,710	510	0	0	0	0		10,364		$ 10,364		
170.00	Inservice Education - Nursing	0	0	0	0	0	0	0	$ -					
	ANCILLARY SERVICES													
75.00	Patient Supplies	0	2,740	297	0	0	0	0	0	3,036	24	15	$ 3,076	
77.00	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0	
80.00	Physical Therapy	0	0	0	0	0	0	0	0	0	255	158	413	
81.00	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0	
82.00	Occupational Therapy	0	0	0	0	0	0	0	0	0	165	102	267	
83.00	Speech Pathology	0	0	0	0	0	0	0	0	0	170	105	275	
85.00	Pharmacy	0	0	0	0	0	0	0	0	0	185	114	299	
90.00	Laboratory	0	0	0	0	0	0	0	0	0	31	19	50	
95.00	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0	
100.00	Other Ancillary Services	0	0	0	0	0	0	0	0	0	28	18	46	
100.06	Subacute Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0	
100.12	Subacute Pediatrics Ancillary Services		0	0	0	0	0	0	0	0	0	0	0	
	ROUTINE SERVICES													
105.00	Skilled Nursing Care	180,181	161,716	17,501	73,392	423,071	2,681	10,345	0	868,887	15,861	9,830	894,578	*
110.00	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0	*
115.00	Mentally Disordered		0	0	0	0	0	0	0	0	0	0	0	*
120.00	Developmentally Disabled		0	0	0	0	0	0	0	0	0	0	0	*
125.00	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0	*
126.00	Subacute Care - Pediatrics		0	0	0	0	0	0	0	0	0	0	0	*
130.00	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0	*
135.00	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0	*
	NONREIMBURSABLE													
136.00	Residential Care		0	0	0	0	0	0	0	0	0	0	0	
140.00	Beauty and Barber		527	57	0	0	0	0	0	584	4	3	591	
145.00	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0	
	TOTAL	$ 899,595	$ 241,478	$ 26,013	$ 73,392	$ 423,071	$ 2,681	$ 10,345	$ -	$ 872,507	$ 16,724	$ 10,364	$ 899,595	

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility Number:
206340789

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital Various	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Srvs 155	Activities 160
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	$ 121,230	84%							
	Property Tax (line 40)	22,962	16%	$ 144,192						
5.00	Plant Operations and Maintenance			1,759	$ 1,759					
10.00	Housekeeping			653	8	$ 661				
60.00	Laundry and Linen			752	9	4	$ 765			
65.00	Dietary			30,911	382	144	0	$ 31,437		
155.00	Social Services			597	7	3	0	0	$ 607	
160.00	Activities			528	7	2	0	0	0	$ 537
165.00	Administration			8,901	110	41	0	0	0	0
165.00	Medical Records			2,778	34	13	0	0	0	0
170.00	Inservice Education - Nursing			0	0	0	0	0	0	0
	ANCILLARY SERVICES									
75.00	Patient Supplies			1,616	20	8	0	0	0	0
77.00	Specialized Support Surfaces			0	0	0	0	0	0	0
80.00	Physical Therapy			0	0	0	0	0	0	0
81.00	Respiratory Therapy			0	0	0	0	0	0	0
82.00	Occupational Therapy			0	0	0	0	0	0	0
83.00	Speech Pathology			0	0	0	0	0	0	0
85.00	Pharmacy			0	0	0	0	0	0	0
90.00	Laboratory			0	0	0	0	0	0	0
95.00	Home Health Services			0	0	0	0	0	0	0
100.00	Other Ancillary Services			0	0	0	0	0	0	0
100.06	Subacute Ancillary Services			0	0	0	0	0	0	0
100.12	Subacute Pediatrics Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105.00	Skilled Nursing Care			95,386	1,178	445	765	31,437	607	537
110.00	Intermediate Care			0	0	0	0	0	0	0
115.00	Mentally Disordered			0	0	0	0	0	0	0
120.00	Developmentally Disabled			0	0	0	0	0	0	0
125.00	Subacute Care			0	0	0	0	0	0	0
126.00	Subacute Care - Pediatrics			0	0	0	0	0	0	0
130.00	Hospice Inpatient Care			0	0	0	0	0	0	0
135.00	Other Routine Services			0	0	0	0	0	0	0
	NONREIMBURSABLE									
136.00	Residential Care			0	0	0	0	0	0	0
140.00	Beauty and Barber			311	4	1	0	0	0	0
145.00	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	$ 144,192	100%	$ 144,192	$ 1,759	$ 661	$ 765	$ 31,437	$ 607	$ 537

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility Number:
206340789

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	In-serv. Ed 170	Accumulated Costs	Admin 165	Medical Records 165	Total	Capital Related 84% Of Total	Property Tax 16% Of Total	
	GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	$ 121,230	84%								
	Property Tax (line 40)	22,962	16%								
5.00	Plant Operations and Maintenance										
10.00	Housekeeping										
60.00	Laundry and Linen										
65.00	Dietary										
155.00	Social Services										
160.00	Activities										
165.00	Administration				$ 9,052	$ 9,052					
165.00	Medical Records				2,826		$ 2,826				
170.00	Inservice Education - Nursing			$ -							
	ANCILLARY SERVICES										
75.00	Patient Supplies			0	1,644	13	4	$ 1,661	$ 1,396	$ 264	
77.00	Specialized Support Surfaces			0	0	0	0	0	0	0	
80.00	Physical Therapy			0	0	138	43	181	152	29	
81.00	Respiratory Therapy			0	0	0	0	0	0	0	
82.00	Occupational Therapy			0	0	89	28	117	98	19	
83.00	Speech Pathology			0	0	92	29	121	101	19	
85.00	Pharmacy			0	0	100	31	131	110	21	
90.00	Laboratory			0	0	17	5	22	19	4	
95.00	Home Health Services			0	0	0	0	0	0	0	
100.00	Other Ancillary Services			0	0	15	5	20	17	3	
100.06	Subacute Ancillary Services			0	0	0	0	0	0	0	
100.12	Subacute Pediatrics Ancillary Services			0	0	0	0	0	0	0	
	ROUTINE SERVICES										
105.00	Skilled Nursing Care			0	130,354	8,585	2,680	141,620	119,067	22,552	*
110.00	Intermediate Care			0	0	0	0	0	0	0	*
115.00	Mentally Disordered			0	0	0	0	0	0	0	*
120.00	Developmentally Disabled			0	0	0	0	0	0	0	*
125.00	Subacute Care			0	0	0	0	0	0	0	*
126.00	Subacute Care - Pediatrics			0	0	0	0	0	0	0	*
130.00	Hospice Inpatient Care			0	0	0	0	0	0	0	*
135.00	Other Routine Services			0	0	0	0	0	0	0	*
	NONREIMBURSABLE										
136.00	Residential Care			0	0	0	0	0	0	0	
140.00	Beauty and Barber			0	316	2	1	319	268	51	
145.00	Other Nonreimbursable			0	0	0	0	0	0	0	
	TOTAL	$ 144,192	100%	$ -	$ 132,314	$ 9,052	$ 2,826	$ 144,192	$ 121,230	$ 22,962	

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name: NORWOOD PINES CARE CENTER
Provider Number: ZZR06045K
OSHPD Facility Number: 206340789
Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Accum Costs (From Sch 2)	Accum Costs (From Sch 3)	Accum Costs (From Sch 4)	Accum Costs (From Sch 5)	Total Accum Costs	Allocated Admin. Costs	Admin. 59% of Total	DHS Licensing Fees 2% of Total	Liability Insurance 18% of Total	Caregiver Training 0% of Total	Quality Assur. Fees 21% of Total	
	GENERAL SERVICES														
45.00	Property Insurance	$ 22,537													
55.00	Interest-Other	5,161													
165.00	Administration (Salaries & Wages, Fringe Benefits,														
	and Other - Nonlabor - excludes lines 165.03 - 165.10)	1,180,218													
	Subtotal - Administration Costs	1,207,916	59%												
165.06	DHS Licensing Fees	33,340	2%												
165.07	Liability Insurance	361,821	18%												
165.08	Caregiver Training	0	0%												
165.10	Quality Assurance Fees	433,498	21%												
	Total	2,036,575	100%						$ 2,036,575						
	ANCILLARY SERVICES														
75.00	Patient Supplies			$ 812	$ 5,079	$ 3,036	$ 1,644	$ 10,571	2,979	$ 1,767	$ 49	$ 529	$ -	$ 634	
77.00	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0	
80.00	Physical Therapy			110,057	0	0	0	110,057	31,016	18,396	508	5,510	0	6,602	
81.00	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0	
82.00	Occupational Therapy			71,219	0	0	0	71,219	20,071	11,904	329	3,566	0	4,272	
83.00	Speech Pathology			73,423	0	0	0	73,423	20,692	12,273	339	3,676	0	4,404	
85.00	Pharmacy			79,797	0	0	0	79,797	22,489	13,338	368	3,995	0	4,787	
90.00	Laboratory			13,410	0	0	0	13,410	3,779	2,242	62	671	0	804	
95.00	Home Health Services			0	0	0	0	0	0	0	0	0	0	0	
100.00	Other Ancillary Services			12,305	0	0	0	12,305	3,468	2,057	57	616	0	738	
100.06	Subacute Ancillary Services			0	0	0	0	0	0	0	0	0	0	0	
100.12	Subacute Pediatrics Ancillary Services			0	0	0	0	0	0	0	0	0	0	0	
	ROUTINE SERVICES														
105.00	Skilled Nursing Care			4,865,556	989,010	868,887	130,354	6,853,807	1,931,552	1,145,625	31,621	343,162	0	411,143	*
110.00	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0	*
115.00	Mentally Disordered			0	0	0	0	0	0	0	0	0	0	0	*
120.00	Developmentally Disabled			0	0	0	0	0	0	0	0	0	0	0	*
125.00	Subacute Care			0	0	0	0	0	0	0	0	0	0	0	*
126.00	Subacute Care - Pediatrics			0	0	0	0	0	0	0	0	0	0	0	*
130.00	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0	*
135.00	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0	*
	NONREIMBURSABLE														
136.00	Residential Care			0	0	0	0	0	0	0	0	0	0	0	
140.00	Beauty and Barber			0	977	584	316	1,877	529	314	9	94	0	113	
145.00	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0	
	SUBTOTAL	$ 2,036,575		$ 5,226,579	$ 995,065	$ 872,507	$ 132,314	$ 7,226,466	$ 2,036,575						
	Total Administrative Costs							$ 2,036,575		$ 1,207,916	$ 33,340	$ 361,821	$ -	$ 433,498	
	Unit Cost Multiplier							0.28182173							
	Accumulated Administration Costs (Sch 2 thru 5)				$ 110,237	$ 27,088	$ 9,052	$ 146,377							
	TOTAL FACILITY COSTS							$ 9,409,417							

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name: NORWOOD PINES CARE CENTER
Provider Number: ZZR06045K
OSHPD Facility Number: 206340789
Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5	Hskpng (SQ FT) 10	Laundry (LBS) 60	Dietary (MEALS) 65	Soc Srvs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	In-serv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL (ACCUM COST)
		(Adj 16)	(Adj 16)	(Adj 16)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)		
	GENERAL SERVICES										
5	Plant Operations and Maintenance	283									
10	Housekeeping	105	105								
60	Laundry and Linen	121	121	121							
65	Dietary	4,973	4,973	4,973							
155	Social Services	96	96	96							
160	Activities	85	85	85							
165	Administration	1,432	1,432	1,432							
165	Medical Records	447	447	447							
170	Inservice Education - Nursing										
	ANCILLARY SERVICES										
75	Patient Supplies	260	260	260						10,571	10,571
77	Specialized Support Surfaces									0	0
80	Physical Therapy									110,057	110,057
81	Respiratory Therapy									0	0
82	Occupational Therapy									71,219	71,219
83	Speech Pathology									73,423	73,423
85	Pharmacy									79,797	79,797
90	Laboratory									13,410	13,410
95	Home Health Services									0	0
100	Other Ancillary Services									12,305	12,305
100	Subacute Ancillary Services									0	0
100	Subacute Pediatrics Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	15,346	15,346	15,346	139,992	161,529	4,807,293	4,807,293	4,807,293	6,853,807	6,853,807
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered						0	0	0	0	0
120	Developmentally Disabled						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatrics						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	NONREIMBURSABLE										
136	Residential Care									0	0
140	Beauty and Barber	50	50	50						1,877	1,877
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	23,198	22,915	22,810	139,992	161,529	4,807,293	4,807,293	4,807,293	7,226,466	7,226,466
	TOTAL DIRECT SALARIES COSTS - SCH. 2						$ 91,115	$ 147,329			
	UNIT COST MULTIPLIER (DIRECT SALARIES)						0.018953494	0.030646977			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3		$ 148,637	$ 297,630	$ 61,205	$ 535,034	$ 1,875	$ 1,660	$ 89,456	$ 27,974	$ 82,263
	UNIT COST MULTIPLIER (INDIRECT SALARIES)		6.48644992	13.04822785	0.43720138	3.31230895	0.00039010	0.00034540	0.01860839	0.00387100	0.01138357
	TOTAL INDIRECT OTHER COSTS - SCH. 4		$ 241,478	$ 26,013	$ 73,392	$ 423,071	$ 2,681	$ 10,345	$ -	$ 16,724	$ 10,364
	UNIT COST MULTIPLIER (INDIRECT OTHER)		10.53798822	1.14044230	0.52425917	2.61916334	0.00055772	0.00215187	0.00000000	0.00231420	0.00143421
	TOTAL CAPITAL COSTS - SCH. 5	$ 144,192	$ 1,759	$ 661	$ 765	$ 31,437	$ 607	$ 537	$ -	$ 9,052	$ 2,826
	UNIT COST MULTIPLIER (CAPITAL COSTS)	6.21570825	0.07676393	0.02896579	0.00546384	0.19461837	0.00012624	0.00011177	0.00000000	0.00125266	0.00039102

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility Number:
206340789

Line No.	Natural Class	ACCOUNT TITLE	Account Number	AS REPORTED	AUDIT ADJUSTMENTS (SCHEDULE 8A-1)	SUBTOTAL	(SCHEDULE 8A-2)	AS AUDITED	
5.00		Plant Operations and Maintenance	6200	$ 391,177	$ (391,177)	$ 0	$ 0	$ 0	
5.01	.01-.19	Salaries and Wages	6200		118,073	118,073	0	118,073	(Sch 3)
5.02	.20-.39	Fringe Benefits	6200		30,564	30,564	0	30,564	(Sch 3)
5.03	.79	Agency Staff	6200		0	0	0	0	(Sch 3)
5.04	.40-.99	Other - Nonlabor	6200		242,540	242,540	(1,062)	241,478	(Sch 4)
5.05		Plant Operations and Maintenance - Total	6200	$ 391,177	$ 0	$ 391,177	$ (1,062)	$ 390,115	
10.00		Housekeeping	6300	$ 321,856	$ (321,856)	$ 0	$ 0	$ 0	
10.01	.01-.19	Salaries and Wages	6300		238,592	238,592	0	238,592	(Sch 3)
10.02	.20-.39	Fringe Benefits	6300		58,357	58,357	0	58,357	(Sch 3)
10.03	.79	Agency Staff	6300		0	0	0	0	(Sch 3)
10.04	.40-.99	Other - Nonlabor	6300		24,907	24,907	0	24,907	(Sch 4)
10.05		Housekeeping - Total	6300	$ 321,856	$ 0	$ 321,856	$ 0	$ 321,856	
15.00		Depreciation: Bldgs and Improvements	7110 - 7120	$		$ 0	$ 0	$ 0	(Sch 5)
20.00		Depreciation: Leasehold Improvements	7130	10,118		10,118	0	10,118	(Sch 5)
25.00		Depreciation: Equipment	7140	23,445		23,445	0	23,445	(Sch 5)
30.00		Depreciation and Amortization - Other	7150 - 7160			0	0	0	(Sch 5)
35.00		Leases and Rentals	7200	43,615		43,615	44,052	87,667	(Sch 5)
40.00		Property Taxes	7300	22,962		22,962	0	22,962	(Sch 5)
45.00		Property Insurance	7400	22,537		22,537	0	22,537	(Sch 6)
50.00		Interest-Property, Plant, and Equipment	7500			0	0	0	(Sch 5)
55.00		Interest-Other	7600	5,161		5,161	0	5,161	(Sch 6)
57.00		**Subtotal 005 - 055**		$ 840,871	$ 0	$ 840,871	$ 42,990	$ 883,861	
60.00		Laundry and Linen	6400	$ 130,820	$ (130,820)	$ 0	$ 0	$ 0	
60.01	.01-.19	Salaries and Wages	6400		47,233	47,233	0	47,233	(Sch 3)
60.02	.20-.39	Fringe Benefits	6400		11,608	11,608	0	11,608	(Sch 3)
60.03	.79	Agency Staff	6400		0	0	0	0	(Sch 3)
60.04	.40-.99	Other - Nonlabor	6400		71,979	71,979	0	71,979	(Sch 4)
60.05		Laundry and Linen - Total	6400	$ 130,820	$ 0	$ 130,820	$ 0	$ 130,820	
65.00		Dietary	6500	$ 804,150	$ (804,150)	$ 0	$ 0	$ 0	
65.01	.01-.19	Salaries and Wages	6500		344,175	344,175	0	344,175	(Sch 3)
65.02	.20-.39	Fringe Benefits	6500		93,713	93,713	0	93,713	(Sch 3)
65.03	.79	Agency Staff	6500		0	0	0	0	(Sch 3)
65.04	.40-.99	Other - Nonlabor	6500		366,262	366,262	(1,268)	364,994	(Sch 4)
65.05		Dietary - Total	6500	$ 804,150	$ 0	$ 804,150	$ (1,268)	$ 802,882	
70.00		Provision for Bad Debts	7700	$		$ 0	$ 0	$ 0	
		Ancillary Services (Note 1)							
75.00		Patient Supplies	8100	$ 812	$ 0	$ 812	$ 0	$ 812	(Sch 2)
75.01	.01-.19	Salaries and Wages	8100		0	0	0	0	(Sch 2)
75.02	.20-.39	Fringe Benefits	8100		0	0	0	0	(Sch 2)
75.03	.79	Agency Staff	8100		0	0	0	0	(Sch 2)
75.04	.40-.99	Other - Nonlabor	8100		0	0	0	0	(Sch 4)
75.05		Patient Supplies - Total	8100	$ 812	$ 0	$ 812	$ 0	$ 812	
77.00		Specialized Support Surfaces	8150			$ 0	$ 0	$ 0	(Sch 4)
80.00		Physical Therapy	8200	$ 110,057	$ 0	$ 110,057	$ 0	$ 110,057	(Sch 2)
80.01	.01-.19	Salaries and Wages	8200		0	0	0	0	(Sch 2)
80.02	.20-.39	Fringe Benefits	8200		0	0	0	0	(Sch 2)
80.03	.79	Agency Staff	8200		0	0	0	0	(Sch 2)
80.04	.40-.99	Other - Nonlabor	8200		0	0	0	0	(Sch 4)
80.05		Physical Therapy - Total	8200	$ 110,057	$ 0	$ 110,057	$ 0	$ 110,057	
81.00		Respiratory Therapy	8220	$	$ 0	$ 0	$ 0	$ 0	(Sch 2)
81.01	.01-.19	Salaries and Wages	8220		0	0	0	0	(Sch 2)
81.02	.20-.39	Fringe Benefits	8220		0	0	0	0	(Sch 2)
81.03	.79	Agency Staff	8220		0	0	0	0	(Sch 2)
81.04	.40-.99	Other - Nonlabor	8220		0	0	0	0	(Sch 4)
81.05		Respiratory Therapy - Total	8220	$ 0	$ 0	$ 0	$ 0	$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility Number:
206340789

Line No.	Natural Class	ACCOUNT TITLE	Account Number	AS REPORTED	AUDIT ADJUSTMENTS (SCHEDULE 8A-1)	SUBTOTAL	(SCHEDULE 8A-2)	AS AUDITED	
82.00		Occupational Therapy	8250	$ 71,219	$ 0	$ 71,219	$ 0	$ 71,219	(Sch 2)
82.01	.01-.19	Salaries and Wages	8250		0	0	0	0	(Sch 2)
82.02	.20-.39	Fringe Benefits	8250		0	0	0	0	(Sch 2)
82.03	.79	Agency Staff	8250		0	0	0	0	(Sch 2)
82.04	.40-.99	Other - Nonlabor	8250		0	0	0	0	(Sch 4)
82.05		Occupational Therapy - Total	8250	$ 71,219	$ 0	$ 71,219	$ 0	$ 71,219	
83.00		Speech Pathology	8280	$ 73,423	$ 0	$ 73,423	$ 0	$ 73,423	(Sch 2)
83.01	.01-.19	Salaries and Wages	8280		0	0	0	0	(Sch 2)
83.02	.20-.39	Fringe Benefits	8280		0	0	0	0	(Sch 2)
83.03	.79	Agency Staff	8280		0	0	0	0	(Sch 2)
83.04	.40-.99	Other - Nonlabor	8280		0	0	0	0	(Sch 4)
83.05		Speech Pathology - Total	8280	$ 73,423	$ 0	$ 73,423	$ 0	$ 73,423	
85.00		Pharmacy	8300	$ 79,797	$ 0	$ 79,797	$ 0	$ 79,797	(Sch 2)
85.01	.01-.19	Salaries and Wages	8300		0	0	0	0	(Sch 2)
85.02	.20-.39	Fringe Benefits	8300		0	0	0	0	(Sch 2)
85.03	.79	Agency Staff	8300		0	0	0	0	(Sch 2)
85.04	.40-.99	Other - Nonlabor	8300		0	0	0	0	(Sch 4)
85.05		Pharmacy - Total	8300	$ 79,797	$ 0	$ 79,797	$ 0	$ 79,797	
90.00		Laboratory	8400	$ 13,410	$ 0	$ 13,410	$ 0	$ 13,410	(Sch 2)
90.01	.01-.19	Salaries and Wages	8400		0	0	0	0	(Sch 2)
90.02	.20-.39	Fringe Benefits	8400		0	0	0	0	(Sch 2)
90.03	.79	Agency Staff	8400		0	0	0	0	(Sch 2)
90.04	.40-.99	Other - Nonlabor	8400		0	0	0	0	(Sch 4)
90.05		Laboratory - Total	8400	$ 13,410	$ 0	$ 13,410	$ 0	$ 13,410	
95.00		Home Health Services	8800	$	$ 0	$ 0	$ 0	$ 0	(Sch 2)
95.01	.01-.19	Salaries and Wages	8800		0	0	0	0	(Sch 2)
95.02	.20-.39	Fringe Benefits	8800		0	0	0	0	(Sch 2)
95.03	.79	Agency Staff	8800		0	0	0	0	(Sch 2)
95.04	.40-.99	Other - Nonlabor	8800		0	0	0	0	(Sch 4)
95.05		Home Health Services - Total	8800	$ 0	$ 0	$ 0	$ 0	$ 0	
100.00		Other Ancillary Services	8900	$ 12,305	$ 0	$ 12,305	$ 0	$ 12,305	(Sch 2)
100.01	.01-.19	Salaries and Wages	8900		0	0	0	0	(Sch 2)
100.02	.20-.39	Fringe Benefits	8900		0	0	0	0	(Sch 2)
100.03	.79	Agency Staff	8900		0	0	0	0	(Sch 2)
100.04	.40-.99	Other - Nonlabor	8900		0	0	0	0	(Sch 4)
100.05		Other Ancillary Services - Total	8900	$ 12,305	$ 0	$ 12,305	$ 0	$ 12,305	
100.06		Subacute Ancillary Services		$	$ 0	$ 0	$ 0	$ 0	(Sch 2)
100.07	.01-.19	Salaries and Wages			0	0	0	0	(Sch 2)
100.08	.20-.39	Fringe Benefits			0	0	0	0	(Sch 2)
100.09	.79	Agency Staff			0	0	0	0	(Sch 2)
100.10	.40-.99	Other - Nonlabor			0	0	0	0	(Sch 4)
100.11		Subacute Ancillary Services - Total		$ 0	$ 0	$ 0	$ 0	$ 0	
100.12		Subacute Pediatrics Ancillary Services		$		$ 0	$ 0	$ 0	(Sch 2)
101.00		**Subtotal 075 - 100.12**		$ 361,023	$ 0	$ 361,023	$ 0	$ 361,023	
		Routine Services							
105.00		Skilled Nursing Care	6110	$ 4,839,365	$ (4,839,365)	$ 0	$ 0	$ 0	
105.01	.01-.19	Salaries and Wages	6110		3,421,026	3,421,026	0	3,421,026	(Sch 2)
105.02	.20-.39	Fringe Benefits	6110		960,121	960,121	0	960,121	(Sch 2)
105.03	.49	Agency Staff	6110		245,965	245,965	0	245,965	(Sch 2)
105.04	.40-.99	Other - Nonlabor	6110		212,253	212,253	(32,072)	180,181	(Sch 4)
105.05		Skilled Nursing Care - Total	6110	$ 4,839,365	$ 0	$ 4,839,365	$ (32,072)	$ 4,807,293	
110.00		Intermediate Care	6120	$		$ 0	$ 0	$ 0	(Sch 2)
115.00		Mentally Disordered	6130			0	0	0	(Sch 2)
120.00		Developmentally Disabled	6140			0	0	0	(Sch 2)

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
NORWOOD PINES CARE CENTER

Fiscal Period:
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

Provider Number:
ZZR06045K

OSHPD Facility Number:
206340789

Line No.	Natural Class	ACCOUNT TITLE	Account Number	AS REPORTED	AUDIT ADJUSTMENTS (SCHEDULE 8A-1)	SUBTOTAL	(SCHEDULE 8A-2)	AS AUDITED	
125.00		Subacute Care	6150	$	$ 0	$ 0	$ 0	$ 0	
125.01	.01-.19	Salaries and Wages	6150		0	0	0	0	(Sch 2)
125.02	.20-.39	Fringe Benefits	6150		0	0	0	0	(Sch 2)
125.03	.49	Agency Staff	6150		0	0	0	0	(Sch 2)
125.04	.40-.99	Other - Nonlabor	6150		0	0	0	0	(Sch 4)
125.05		Subacute Care - Total	6150	$ 0	$ 0	$ 0	$ 0	$ 0	
126.00		Subacute Care - Pediatrics	6160	$		$ 0	$ 0	$ 0	
130.00		Hospice Inpatient Care	6180			0	0	0	(Sch 2)
135.00		Other Routine Services	6190			0	0	0	(Sch 2)
		Other Nonreimbursable							
136.00		Residential Care	9100	$		$ 0	$ 0	$ 0	(Sch 2)
140.00		Beauty and Barber	8900			0	0	0	(Sch 2)
145.00		Other Nonreimbursable	9100			0	0	0	(Sch 2)
146.00		**Subtotal 105 - 145**		$ 4,839,365	$ 0	$ 4,839,365	$ (32,072)	$ 4,807,293	
155.00		Social Services	6600	$ 92,675	$ (92,675)	$ 0	$ 0	$ 0	
155.01	.01-.19	Salaries and Wages	6600		72,508	72,508	0	72,508	(Sch 2)
155.02	.20-.39	Fringe Benefits	6600		18,607	18,607	0	18,607	(Sch 2)
155.03	.79	Agency Staff	6600		0	0	0	0	(Sch 2)
155.04	.40-.99	Other - Nonlabor	6600		1,560	1,560	0	1,560	(Sch 4)
155.05		Social Services - Total	6600	$ 92,675	$ 0	$ 92,675	$ 0	$ 92,675	
160.00		Activities	6700	$ 156,681	$ (156,681)	$ 0	$ 0	$ 0	
160.01	.01-.19	Salaries and Wages	6700		112,409	112,409	0	112,409	(Sch 2)
160.02	.20-.39	Fringe Benefits	6700		34,920	34,920	0	34,920	(Sch 2)
160.03	.79	Agency Staff	6700		0	0	0	0	(Sch 2)
160.04	.40-.99	Other - Nonlabor	6700		9,352	9,352	0	9,352	(Sch 4)
160.05		Activities - Total	6700	$ 156,681	$ 0	$ 156,681	$ 0	$ 156,681	
165.00		Administration	6900	$ 2,142,971	$ (2,142,971)	$ 0	$ 0	$ 0	
165.01	.01-.19	Salaries and Wages	6900		332,993	332,993	(37,627)	295,366	(Sch 6)
165.02	.20-.39	Fringe Benefits	6900		70,041	70,041	(8,142)	61,899	(Sch 6)
165.03	.01-.19	Medical Records - Salaries and Wages	6900		59,896	59,896	0	59,896	(Sch 3)
165.04	.20-.39	Medical Records - Fringe Benefits	6900		13,635	13,635	0	13,635	(Sch 3)
165.05	.79	Medical Records - Agency Staff	6900		0	0	0	0	(Sch 3)
165.06	.40-.99	Medical Records - Other - Nonlabor	6900		5,144	5,144	0	5,144	(Sch 4)
165.07		DHS Licensing Fees	6900		0	0	33,340	33,340	(Sch 6)
165.08		Liability Insurance	6900		0	0	361,821	361,821	(Sch 6)
165.09		Caregiver Training	6900		0	0	0	0	(Sch 6)
165.10		Quality Assurance Fees	6900		0	0	433,498	433,498	(Sch 6)
165.11	.40-.99	Other - Nonlabor	6900		1,661,262	1,661,262	(838,309)	822,953	(Sch 6)
165.12		Administration - Total	6900	$ 2,142,971	$ 0	$ 2,142,971	$ (55,419)	$ 2,087,552	
170.00		Inservice Education - Nursing	6800	$ 89,456	$ (89,456)	$ 0	$ 0	$ 0	
170.01	.01-.19	Salaries and Wages	6800		74,147	74,147	0	74,147	(Sch 3)
170.02	.20-.39	Fringe Benefits	6800		15,309	15,309	0	15,309	(Sch 3)
170.03	.79	Agency Staff	6800		0	0	0	0	(Sch 3)
170.04	.40-.99	Other - Nonlabor	6800		0	0	0	0	(Sch 4)
170.05		Inservice Education - Nursing - Total	6800	$ 89,456	$ 0	$ 89,456	$ 0	$ 89,456	
171.00		**Subtotal 155 - 170.05**		$ 2,481,783	$ 0	$ 2,481,783	$ (55,419)	$ 2,426,364	
175.00		**Total**		**$ 9,458,012**	**$ 0**	**$ 9,458,012**	**$ (45,769)**	**$ 9,412,243**	

NOTE 1: Ancillary service costs are reclassified only if the facility has an Adult Subacute unit.

Provider Name: NORWOOD PINES CARE CENTER

Provider No.: ZZR06045K

OSHPD Facility Number: 206340789

Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

	TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
5.00 Plant Operations and Maintenance	(391,177)	(391,177)								
5.01 Plant Operations and Maintenance - Salaries and Wages	118,073	118,073								
5.02 Plant Operations and Maintenance - Fringe Benefits	30,564	30,564								
5.03 Plant Operations and Maintenance - Agency Staff	0	0								
5.04 Plant Operations and Maintenance - Other - Nonlabor	242,540	242,540								
10.00 Housekeeping	(321,856)		(321,856)							
10.01 Housekeeping - Salaries and Wages	238,592		238,592							
10.02 Housekeeping - Fringe Benefits	58,357		58,357							
10.03 Housekeeping - Agency Staff	0		0							
10.04 Housekeeping - Other - Nonlabor	24,907		24,907							
60.00 Laundry and Linen	(130,820)			(130,820)						
60.01 Laundry and Linen - Salaries and Wages	47,233			47,233						
60.02 Laundry and Linen - Fringe Benefits	11,608			11,608						
60.03 Laundry and Linen - Agency Staff	0			0						
60.04 Laundry and Linen - Other - Nonlabor	71,979			71,979						
65.00 Dietary	(804,150)				(804,150)					
65.01 Dietary - Salaries and Wages	344,175				344,175					
65.02 Dietary - Fringe Benefits	93,713				93,713					
65.03 Dietary - Agency Staff	0				0					
65.04 Dietary - Other - Nonlabor	366,262				366,262					
75.00 Patient Supplies	0									
75.01 Patient Supplies - Salaries and Wages	0									
75.02 Patient Supplies - Fringe Benefits	0									
75.03 Patient Supplies - Agency Staff	0									
75.04 Patient Supplies - Other - Nonlabor	0									
80.00 Physical Therapy	0									
80.01 Physical Therapy - Salaries and Wages	0									
80.02 Physical Therapy - Fringe Benefits	0									
80.03 Physical Therapy - Agency Staff	0									
80.04 Physical Therapy - Other - Nonlabor	0									
81.00 Respiratory Therapy	0									
81.01 Respiratory Therapy - Salaries and Wages	0									
81.02 Respiratory Therapy - Fringe Benefits	0									
81.03 Respiratory Therapy - Agency Staff	0									
81.04 Respiratory Therapy - Other - Nonlabor	0									
82.00 Occupational Therapy	0									
82.01 Occupational Therapy - Salaries and Wages	0									
82.02 Occupational Therapy - Fringe Benefits	0									
82.03 Occupational Therapy - Agency Staff	0									
82.04 Occupational Therapy - Other - Nonlabor	0									
83.00 Speech Pathology	0									

Provider Name: NORWOOD PINES CARE CENTER

Provider No.: ZZR06045K

OSHPD Facility Number: 206340789

Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

	TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
83.01 Speech Pathology - Salaries and Wages	0									
83.02 Speech Pathology - Fringe Benefits	0									
83.03 Speech Pathology - Agency Staff	0									
83.04 Speech Pathology - Other - Nonlabor	0									
85.00 Pharmacy	0									
85.01 Pharmacy - Salaries and Wages	0									
85.02 Pharmacy - Fringe Benefits	0									
85.03 Pharmacy - Agency Staff	0									
85.04 Pharmacy - Other - Nonlabor	0									
90.00 Laboratory	0									
90.01 Laboratory - Salaries and Wages	0									
90.02 Laboratory - Fringe Benefits	0									
90.03 Laboratory - Agency Staff	0									
90.04 Laboratory - Other - Nonlabor	0									
95.00 Home Health Services	0									
95.01 Home Health Services - Salaries and Wages	0									
95.02 Home Health Services - Fringe Benefits	0									
95.03 Home Health Services - Agency Staff	0									
95.04 Home Health Services - Other - Nonlabor	0									
100.00 Other Ancillary Services	0									
100.01 Other Ancillary Services - Salaries and Wages	0									
100.02 Other Ancillary Services - Fringe Benefits	0									
100.03 Other Ancillary Services - Agency Staff	0									
100.04 Other Ancillary Services - Other - Nonlabor	0									
100.06 Subacute Ancillary Services	0									
100.07 Subacute Ancillary Services - Salaries and Wages	0									
100.08 Subacute Ancillary Services - Fringe Benefits	0									
100.09 Subacute Ancillary Services - Agency Staff	0									
100.10 Subacute Ancillary Services - Other - Nonlabor	0									
105.00 Skilled Nursing Care	(4,839,365)					(4,839,365)				
105.01 Skilled Nursing Care - Salaries and Wages	3,421,026					3,421,026				
105.02 Skilled Nursing Care - Fringe Benefits	960,121					960,121				
105.03 Skilled Nursing Care - Agency Staff	245,965					245,965				
105.04 Skilled Nursing Care - Other - Nonlabor	212,253					212,253				
125.00 Subacute Care	0									
125.01 Subacute Care - Salaries and Wages	0									
125.02 Subacute Care - Fringe Benefits	0									
125.03 Subacute Care - Agency Staff	0									
125.04 Subacute Care - Other - Nonlabor	0									
155.00 Social Services	(92,675)						(92,675)			
155.01 Social Services - Salaries and Wages	72,508						72,508			

Provider Name: NORWOOD PINES CARE CENTER

Provider No.: ZZR06045K

OSHPD Facility Number: 206340789

Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

		TOTAL ADJ (Page 1)	AUDIT ADJ 1	AUDIT ADJ 2	AUDIT ADJ 3	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9
155.02	Social Services - Fringe Benefits	18,607						18,607			
155.03	Social Services - Agency Staff	0						0			
155.04	Social Services - Other - Nonlabor	1,560						1,560			
160.00	Activities	(156,681)							(156,681)		
160.01	Activities - Salaries and Wages	112,409							112,409		
160.02	Activities - Fringe Benefits	34,920							34,920		
160.03	Activities - Agency Staff	0							0		
160.04	Activities - Other - Nonlabor	9,352							9,352		
165.00	Administration	(2,142,971)								(2,142,971)	
165.01	Administration - Salaries and Wages	332,993								332,993	
165.02	Administration - Fringe Benefits	70,041								70,041	
165.03	Administration - Medical Records - Salaries and Wages	59,896								59,896	
165.04	Administration - Medical Records - Fringe Benefits	13,635								13,635	
165.05	Administration - Medical Records - Agency Staff	0								0	
165.06	Administration - Medical Records - Other - Nonlabor	5,144								5,144	
165.07	Administration - DHS Licensing Fees	0								0	
165.08	Administration - Liability Insurance	0								0	
165.09	Administration - Caregiver Training	0								0	
165.10	Administration - Quality Assurance Fees	0								0	
165.11	Administration - Other - Nonlabor	1,661,262								1,661,262	
170.00	Inservice Education - Nursing	(89,456)									(89,456)
170.01	Inservice Education - Nursing - Salaries and Wages	74,147									74,147
170.02	Inservice Education - Nursing - Fringe Benefits	15,309									15,309
170.03	Inservice Education - Nursing - Agency Staff	0									0
170.04	Inservice Education - Nursing - Other - Nonlabor	0									0
175.00	Total	$0	0	0	0	0	0	0	0	0	0
		(To Sch 8)									

Provider Name: NORWOOD PINES CARE CENTER

Provider No.: ZZR06045K

OSHPD Facility Number: 206340789

Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

		TOTAL ADJ (Page 1)	AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ 13	AUDIT ADJ 14	AUDIT ADJ 15	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
5.00	Plant Operations and Maintenance	0									
5.01	Plant Operations and Maintenance - Salaries and Wages	0									
5.02	Plant Operations and Maintenance - Fringe Benefits	0									
5.03	Plant Operations and Maintenance - Agency Staff	0									
5.04	Plant Operations and Maintenance - Other - Nonlabor	(1,062)	(1,062)								
10.00	Housekeeping	0									
10.01	Housekeeping - Salaries and Wages	0									
10.02	Housekeeping - Fringe Benefits	0									
10.03	Housekeeping - Agency Staff	0									
10.04	Housekeeping - Other - Nonlabor	0									
15.00	Depreciation: Bldgs and Improvements	0									
20.00	Depreciation: Leasehold Improvements	0									
25.00	Depreciation: Equipment	0									
30.00	Depreciation and Amortization - Other	0									
35.00	Leases and Rentals	44,052	18,482	25,570							
40.00	Property Taxes	0									
45.00	Property Insurance	0									
50.00	Interest-Property, Plant, and Equipment	0									
55.00	Interest-Other	0									
60.00	Laundry and Linen	0									
60.01	Laundry and Linen - Salaries and Wages	0									
60.02	Laundry and Linen - Fringe Benefits	0									
60.03	Laundry and Linen - Agency Staff	0									
60.04	Laundry and Linen - Other - Nonlabor	0									
65.00	Dietary	0									
65.01	Dietary - Salaries and Wages	0									
65.02	Dietary - Fringe Benefits	0									
65.03	Dietary - Agency Staff	0									
65.04	Dietary - Other - Nonlabor	(1,268)	(1,268)								
70.00	Provision for Bad Debts	0									
75.00	Patient Supplies	0									
75.01	Patient Supplies - Salaries and Wages	0									
75.02	Patient Supplies - Fringe Benefits	0									
75.03	Patient Supplies - Agency Staff	0									
75.04	Patient Supplies - Other - Nonlabor	0									
77.00	Specialized Support Surfaces	0									
80.00	Physical Therapy	0									
80.01	Physical Therapy - Salaries and Wages	0									
80.02	Physical Therapy - Fringe Benefits	0									
80.03	Physical Therapy - Agency Staff	0									
80.04	Physical Therapy - Other - Nonlabor	0									
81.00	Respiratory Therapy	0									
81.01	Respiratory Therapy - Salaries and Wages	0									
81.02	Respiratory Therapy - Fringe Benefits	0									
81.03	Respiratory Therapy - Agency Staff	0									
81.04	Respiratory Therapy - Other - Nonlabor	0									
82.00	Occupational Therapy	0									
82.01	Occupational Therapy - Salaries and Wages	0									

Provider Name: NORWOOD PINES CARE CENTER

Provider No.: ZZR06045K

OSHPD Facility Number: 206340789

Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

		TOTAL ADJ (Page 1)	AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ 13	AUDIT ADJ 14	AUDIT ADJ 15	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
82.02	Occupational Therapy - Fringe Benefits	0									
82.03	Occupational Therapy - Agency Staff	0									
82.04	Occupational Therapy - Other - Nonlabor	0									
83.00	Speech Pathology	0									
83.01	Speech Pathology - Salaries and Wages	0									
83.02	Speech Pathology - Fringe Benefits	0									
83.03	Speech Pathology - Agency Staff	0									
83.04	Speech Pathology - Other - Nonlabor	0									
85.00	Pharmacy	0									
85.01	Pharmacy - Salaries and Wages	0									
85.02	Pharmacy - Fringe Benefits	0									
85.03	Pharmacy - Agency Staff	0									
85.04	Pharmacy - Other - Nonlabor	0									
90.00	Laboratory	0									
90.01	Laboratory - Salaries and Wages	0									
90.02	Laboratory - Fringe Benefits	0									
90.03	Laboratory - Agency Staff	0									
90.04	Laboratory - Other - Nonlabor	0									
95.00	Home Health Services	0									
95.01	Home Health Services - Salaries and Wages	0									
95.02	Home Health Services - Fringe Benefits	0									
95.03	Home Health Services - Agency Staff	0									
95.04	Home Health Services - Other - Nonlabor	0									
100.00	Other Ancillary Services	0									
100.01	Other Ancillary Services - Salaries and Wages	0									
100.02	Other Ancillary Services - Fringe Benefits	0									
100.03	Other Ancillary Services - Agency Staff	0									
100.04	Other Ancillary Services - Other - Nonlabor	0									
100.06	Subacute Ancillary Services	0									
100.07	Subacute Ancillary Services - Salaries and Wages	0									
100.08	Subacute Ancillary Services - Fringe Benefits	0									
100.09	Subacute Ancillary Services - Agency Staff	0									
100.10	Subacute Ancillary Services - Other - Nonlabor	0									
100.12	Subacute Pediatrics Ancillary Services	0									
105.00	Skilled Nursing Care	0									
105.01	Skilled Nursing Care - Salaries and Wages	0									
105.02	Skilled Nursing Care - Fringe Benefits	0									
105.03	Skilled Nursing Care - Agency Staff	0									
105.04	Skilled Nursing Care - Other - Nonlabor	(32,072)	(16,152)	(15,920)							
110.00	Intermediate Care	0									
115.00	Mentally Disordered	0									
120.00	Developmentally Disabled	0									
125.00	Subacute Care	0									
125.01	Subacute Care - Salaries and Wages	0									
125.02	Subacute Care - Fringe Benefits	0									
125.03	Subacute Care - Agency Staff	0									
125.04	Subacute Care - Other - Nonlabor	0									
126.00	Subacute Care - Pediatrics	0									

Provider Name: NORWOOD PINES CARE CENTER

Provider No.: ZZR06045K

OSHPD Facility Number: 206340789

Fiscal Period: JANUARY 1, 2007 THROUGH DECEMBER 31, 2007

		TOTAL ADJ (Page 1)	AUDIT ADJ 10	AUDIT ADJ 11	AUDIT ADJ 12	AUDIT ADJ 13	AUDIT ADJ 14	AUDIT ADJ 15	AUDIT ADJ	AUDIT ADJ	AUDIT ADJ
130.00	Hospice Inpatient Care	0									
135.00	Other Routine Services	0									
136.00	Residential Care	0									
140.00	Beauty and Barber	0									
145.00	Other Nonreimbursable	0									
155.00	Social Services	0									
155.01	Social Services - Salaries and Wages	0									
155.02	Social Services - Fringe Benefits	0									
155.03	Social Services - Agency Staff	0									
155.04	Social Services - Other - Nonlabor	0									
160.00	Activities	0									
160.01	Activities - Salaries and Wages	0									
160.02	Activities - Fringe Benefits	0									
160.03	Activities - Agency Staff	0									
160.04	Activities - Other - Nonlabor	0									
165.00	Administration	0									
165.01	Administration - Salaries and Wages	(37,627)						(37,627)			
165.02	Administration - Fringe Benefits	(8,142)						(8,142)			
165.03	Administration - Medical Records - Salaries and Wages	0									
165.04	Administration - Medical Records - Fringe Benefits	0									
165.05	Administration - Medical Records - Agency Staff	0									
165.06	Administration - Medical Records - Other - Nonlabor	0									
165.07	Administration - DHS Licensing Fees	33,340			33,340						
165.08	Administration - Liability Insurance	361,821				361,821					
165.09	Administration - Caregiver Training	0									
165.10	Administration - Quality Assurance Fees	433,498					433,498				
165.11	Administration - Other - Nonlabor	(838,309)		(9,650)	(33,340)	(361,821)	(433,498)				
170.00	Inservice Education - Nursing	0									
170.01	Inservice Education - Nursing - Salaries and Wages	0									
170.02	Inservice Education - Nursing - Fringe Benefits	0									
170.03	Inservice Education - Nursing - Agency Staff	0									
170.04	Inservice Education - Nursing - Other - Nonlabor	0									
175.00	Total	($45,769)	0	0	0	0	0	(45,769)	0	0	0
		(To Sch 8)									

Provider Name	Fiscal Period	Provider Number	Adjustments
NORWOOD PINES CARE CENTER	JANUARY 1, 2007 THROUGH DECEMBER 31, 2007	ZZR06045K	17

RECONCILIATION OF THE PROVIDER'S RECORDS TO THE AUDIT REPORT

Report References									
	Cost Report			Audit Report					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
1	10.1(4)	5	14	8A-1	5.00	Plant Operations and Maintenance	$391,177	($391,177)	$0
	Not Reported			8A-1	5.01	Plant Operations and Maintenance - Salaries and Wages	0	118,073	118,073
	Not Reported			8A-1	5.02	Plant Operations and Maintenance - Fringe Benefits	0	30,564	30,564
	Not Reported			8A-1	5.04	Plant Operations and Maintenance - Other - Nonlabor	0	242,540	242,540 *
2	10.1(4)	10	14	8A-1	10.00	Housekeeping	$321,856	($321,856)	$0
	Not Reported			8A-1	10.01	Housekeeping - Salaries and Wages	0	238,592	238,592
	Not Reported			8A-1	10.02	Housekeeping - Fringe Benefits	0	58,357	58,357
	Not Reported			8A-1	10.04	Housekeeping - Other - Nonlabor	0	24,907	24,907
3	10.1(4)	60	14	8A-1	60.00	Laundry and Linen	$130,820	($130,820)	$0
	Not Reported			8A-1	60.01	Laundry and Linen - Salaries and Wages	0	47,233	47,233
	Not Reported			8A-1	60.02	Laundry and Linen - Fringe Benefits	0	11,608	11,608
	Not Reported			8A-1	60.04	Laundry and Linen - Other - Nonlabor	0	71,979	71,979
4	10.1(4)	65	14	8A-1	65.00	Dietary	$804,150	($804,150)	$0
	Not Reported			8A-1	65.01	Dietary - Salaries and Wages	0	344,175	344,175
	Not Reported			8A-1	65.02	Dietary - Fringe Benefits	0	93,713	93,713
	Not Reported			8A-1	65.04	Dietary - Other - Nonlabor	0	366,262	366,262 *
5	10.1(4)	105	14	8A-1	105.00	Skilled Nursing Care	$4,839,365	($4,839,365)	$0
	Not Reported			8A-1	105.01	Skilled Nursing Care - Salaries and Wages	0	3,421,026	3,421,026
	Not Reported			8A-1	105.02	Skilled Nursing Care - Fringe Benefits	0	960,121	960,121
	Not Reported			8A-1	105.03	Skilled Nursing Care - Agency Staff	0	245,965	245,965
	Not Reported			8A-1	105.04	Skilled Nursing Care - Other - Nonlabor	0	212,253	212,253 *
6	10.1(4)	155	14	8A-1	155.00	Social Services	$92,675	($92,675)	$0
	Not Reported			8A-1	155.01	Social Services - Salaries and Wages	0	72,508	72,508
	Not Reported			8A-1	155.02	Social Services - Fringe Benefits	0	18,607	18,607
	Not Reported			8A-1	155.04	Social Services - Other - Nonlabor	0	1,560	1,560

-Continued on next page-

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider Number	Adjustments
NORWOOD PINES CARE CENTER	JANUARY 1, 2007 THROUGH DECEMBER 31, 2007	ZZR06045K	17

RECONCILIATION OF THE PROVIDER'S RECORDS TO THE AUDIT REPORT

Report References: Cost Report				Audit Report					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
-Continued from previous page-									
7	10.1(4)	160	14	8A-1	160.00	Activities	$156,681	($156,681)	$0
	Not Reported			8A-1	160.01	Activities - Salaries and Wages	0	112,409	112,409
	Not Reported			8A-1	160.02	Activities - Fringe Benefits	0	34,920	34,920
	Not Reported			8A-1	160.04	Activities - Other - Nonlabor	0	9,352	9,352
8	10.1(4)	165	14	8A-1	165.00	Administration	$2,142,971	($2,142,971)	$0
	Not Reported			8A-1	165.01	Administration - Salaries and Wages	0	332,993	332,993 *
	Not Reported			8A-1	165.02	Administration - Fringe Benefits	0	70,041	70,041 *
	Not Reported			8A-1	165.03	Administration - Medical Records - Salaries and Wages	0	59,896	59,896
	Not Reported			8A-1	165.04	Administration - Medical Records - Fringe Benefits	0	13,635	13,635
	Not Reported			8A-1	165.06	Administration - Medical Records - Other - Nonlabor	0	5,144	5,144
	Not Reported			8A-1	165.11	Administration - Other - Nonlabor	0	1,661,262	1,661,262 *
9	10.1(4)	170	14	8A-1	170.00	Inservice Education - Nursing	$89,456	($89,456)	$0
	Not Reported			8A-1	170.01	Inservice Education - Nursing - Salaries and Wages	0	74,147	74,147
	Not Reported			8A-1	170.02	Inservice Education - Nursing - Fringe Benefits	0	15,309	15,309

To reclassify reported expenses for proper cost determination.
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
NORWOOD PINES CARE CENTER	JANUARY 1, 2007 THROUGH DECEMBER 31, 2007	ZZR06045K	17

Report References										
	Cost Report			Audit Report						
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments		As Reported	Increase (Decrease)	As Adjusted
						RECLASSIFICATIONS OF REPORTED COSTS				
10	10.1(4)	35	14	8A-2	35.00	Leases and Rentals		$43,615	$18,482	$62,097 *
	Not Reported			8A-2	5.04	Plant Operations and Maintenance - Other - Nonlabor	*	242,540	(1,062)	241,478
	Not Reported			8A-2	65.04	Dietary - Other - Nonlabor	*	366,262	(1,268)	364,994
	Not Reported			8A-2	105.04	Skilled Nursing Care - Other - Nonlabor	*	212,253	(16,152)	196,101 *
						To reclassify minor equipment expense to the appropriate cost center.				
						42 CFR 413.20 and 413.24				
						CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				
11	10.1(4)	35	14	8A-2	35.00	Leases and Rentals	*	$62,097	$25,570	$87,667
	Not Reported			8A-2	105.04	Skilled Nursing Care - Other - Nonlabor	*	196,101	(15,920)	180,181
	Not Reported			8A-2	165.11	Administration - Other - Nonlabor	*	1,661,262	(9,650)	1,651,612 *
						To reclassify equipment rental expense to the appropriate cost center.				
						42 CFR 413.20 and 413.24				
						CMS Pub. 15-1, Sections 2300, 2302.4 and 2302.8				
12	Not Reported			8A-2	165.07	Administration - DHS Licensing Fees		$0	$33,340	$33,340
	Not Reported			8A-2	165.11	Administration - Other - Nonlabor	*	1,651,612	(33,340)	1,618,272 *
						To reclassify DHS licensing fees to appropriate cost center.				
						42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304				
13	Not Reported			8A-2	165.08	Administration - Liability Insurance		$0	$361,821	$361,821
	Not Reported			8A-2	165.11	Administration - Other - Nonlabor	*	1,618,272	(361,821)	1,256,451 *
						To reclassify professional liability insurance expense to the appropriate cost center.				
						42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304				
14	Not Reported			8A-2	165.10	Administration - Quality Assurance Fees		$0	$433,498	$433,498
	Not Reported			8A-2	165.11	Administration - Other - Nonlabor	*	1,256,451	(433,498)	822,953
						To reclassify quality assurance fees to appropriate cost center.				
						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
NORWOOD PINES CARE CENTER	JANUARY 1, 2007 THROUGH DECEMBER 31, 2007	ZZR06045K	17

Report References									
	Cost Report			Audit Report					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENT TO REPORTED COSTS			
15	Not Reported			8A-2	165.01	Administration - Salaries and Wages *	$332,993	($37,627)	$295,366
	Not Reported			8A-2	165.02	Administration - Fringe Benefits *	70,041	(8,142)	61,899
						To adjust reported administrator's compensation to agree with the Department of Health Care Services Administrator's Compensation Survey.			
						42 CFR 413.20 / CMS Pub. 15-1, Sections 902.3, 904, 904.1, and 905			

*Balance carried forward from prior/to subsequent adjustments

Provider Name	Fiscal Period	Provider Number	Adjustments
NORWOOD PINES CARE CENTER	JANUARY 1, 2007 THROUGH DECEMBER 31, 2007	ZZR06045K	17

Report References									
	Cost Report			Audit Report					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENT TO REPORTED STATISTICS			
16	Not Reported			7	5.00	Plant Operations and Maintenance (Square Feet)	0	283	283
	Not Reported			7	10.00	Housekeeping	0	105	105
	Not Reported			7	60.00	Laundry and Linen	0	121	121
	Not Reported			7	65.00	Dietary	0	4,973	4,973
	11.1 (1 of 3)	10	2	7	75.00	Patient Supplies	0	260	260
	11.1 (1 of 3)	40	2	7	105.00	Skilled Nursing Care	18,471	(3,125)	15,346
	11.1 (1 of 3)	75	2	7	140.00	Beauty and Barber	0	50	50
	Not Reported			7	155.00	Social Services	0	96	96
	Not Reported			7	160.00	Activities	0	85	85
	Not Reported			7	165.00	Administration	0	1,432	1,432
	Not Reported			7	165.00	Medical Records	0	447	447
	11.1 (1 of 3)	85	2	7	N/A	Total Statistics - Square Feet	18,471	4,727	23,198
	11.1 (1 of 3)	85	2	7	N/A	Total Statistics - Square Feet	18,471	4,444	22,915
	11.1 (1 of 3)	85	2	7	N/A	Total Statistics - Square Feet	18,471	4,339	22,810

To establish the correct square footage in order to properly allocate indirect costs.
42 CFR 413.24 / CMS Pub. 15-1, Sections 2300 and 2306

Provider Name	Fiscal Period	Provider Number	Adjustments
NORWOOD PINES CARE CENTER	JANUARY 1, 2007 THROUGH DECEMBER 31, 2007	ZZR06045K	17

Report References									
	Cost Report			Audit Report					
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch	Line	Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
						ADJUSTMENT TO REPORTED PATIENT DAYS			
17	4.1	5	6	1	12.00	Patient Days To adjust reported total patient days to agree with provider's patient census reports. 42 CFR 413.20 and 413.50 / CMS Pub. 15-1, Sections 2205 and 2304	54,181	45	54,226