

**APPEAL RECOMPUTATION
OF THE
AUDIT REPORT**

**WATERMAN CONVALESCENT HOSPITAL
SAN BERNARDINO, CALIFORNIA
PROVIDER NUMBER: ZZT05565G
NPI: 1265433957**

**FISCAL PERIOD ENDED
DECEMBER 31, 2008**

**Audits Section—Rancho Cucamonga
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Julio M. Cueto
Audit Supervisor: Virat Shah
Auditors: Manny Tria and Mary Anne Ruiz**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

August 19, 2013

Terry E. Steege
Finance Director
Plott Management Corporation
800 East Fifth Street
Ontario, CA 91764

In the Matter of:

WATERMAN CONVALESCENT HOSPITAL
PROVIDER NO. ZZT05565G
NPI: 1265433957
FISCAL PERIOD ENDED DECEMBER 31, 2008
CASE/APPEAL NUMBER NF11-1208-068J-MR

Pursuant to the Office of Administrative Hearings and Appeals' Final Decision signed on July 10, 2013, the following revisions are made to the Medi-Cal audit report dated May, 26, 2010.

SUMMARY OF REVISIONS

	<u>COST</u>	<u>COST PER DAY</u>
Audited Cost and Cost Per Day	\$ 6,420,752	\$ 137.93
Revision	<u>110,153</u>	<u>2.37</u>
Revised Cost and Cost Per Day	\$ <u>6,530,905</u>	\$ <u>140.30</u>
 <u>OVERPAYMENTS</u>		
Audited Amount Due State		\$ 5,881
Revision		<u>0</u>
Revised Amount Due State		\$ <u>5,881</u>

Terry E. Steege
Page 2

Enclosed are the revised schedules detailing the results of the recomputation.

Original Signed By

Julio M. Cueto, Chief
Audits Section—Rancho Cucamonga
Financial Audits Branch

cc: Mark A. Johnson
Hooper, Lundy & Bookman, PC
101 West Broadway, Suite 1200
San Diego, CA 92101-3890

Stephanie Oxley, Esq.
Department of Health Care Services
Office of Legal Services, MS 0010
P.O. Box 997413
Sacramento, CA 95899-7413

SUMMARY OF REVISED FACILITY COST PER PATIENT DAY

Provider Name:

WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:

JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:

ZZT05565G

Provider NPI:

1265433957

OSHPD Facility No.:

206361378

Line No.	PROGRAM DESCRIPTION	AS AUDITED	FORMAL AS REVISED	REVISED COST PER PATIENT DAY
SKILLED NURSING CARE				
1	Cost of Direct Care - Labor (Sch. 2, Ln. 105)	\$ 3,312,805	\$ 3,312,805	\$ 71.17
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ 940,621	\$ 940,621	\$ 20.21
3	Cost of Direct and Indirect NonLabor - Other (Sch. 4, Ln. 105)	\$ 971,767	\$ 971,767	\$ 20.88
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ 27,332	\$ 27,332	\$ 0.59
5	Property Taxes (Sch. 5, Ln. 105)	\$ 24,142	\$ 24,142	\$ 0.52
6	Facility License Fees (Sch. 6, Ln. 105)	\$ 34,432	\$ 34,432	\$ 0.74
7	Liability Insurance (Sch. 6, Ln. 105)	\$ 0	\$ 0	\$ 0.00
8	Caregiver Training (Sch. 6, Ln. 105)	\$ 0	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ 0	\$ 0	\$ 0.00
10	Cost of Administration (Sch. 6, Ln. 105)	\$ 1,109,653	\$ 1,219,807	\$ 26.20
11	Cost of Routine Service/Audited Total Costs	\$ 6,420,752	\$ 6,530,905	\$ 140.30
12	Total Patient Days (Rev)	46,551	46,551	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 137.93	\$ 140.30	
14	Overpayments (Rev)	\$ (5,881)	\$ (5,881)	
INTERMEDIATE CARE				
15	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
16	Total Patient Days (Rev)	0	0	
17	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
18	Overpayments (Rev)	\$ 0	\$ 0	
MENTALLY DISORDERED				
19	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
20	Total Patient Days (Rev)	0	0	
21	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
22	Overpayments (Rev)	\$ 0	\$ 0	
DEVELOPMENTALLY DISABLED				
23	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$ 0	\$ 0	
24	Total Patient Days (Rev)	0	0	
25	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
26	Overpayments (Rev)	\$ 0	\$ 0	
ADULT SUBACUTE				
27	Cost of Direct Care - Labor (Adult Subacute Sch. 1, Ln. 25)	\$ 0	\$ 0	\$ 0.00
28	Cost of Indirect Care - Labor (Adult Subacute Sch. 1, Ln. 26)	\$ 0	\$ 0	\$ 0.00
29	Cost of Direct and Indirect NonLabor - Other (Adult SA Sch. 1, Ln. 27)	\$ 0	\$ 0	\$ 0.00
30	Cost of Capital Related (Adult Subacute Sch. 1, Ln. 28)	\$ 0	\$ 0	\$ 0.00
31	Property Taxes (Adult Subacute Sch. 1, Ln. 29)	\$ 0	\$ 0	\$ 0.00
32	Facility License Fees (Adult Subacute Sch. 1, Ln. 30)	\$ 0	\$ 0	\$ 0.00
33	Liability Insurance (Adult Subacute Sch. 1, Ln. 31)	\$ 0	\$ 0	\$ 0.00
34	Caregiver Training (Adult Subacute Sch. 1, Ln. 32)	\$ 0	\$ 0	\$ 0.00
35	Quality Assurance Fees (Adult Subacute Sch. 1, Ln. 33)	\$ 0	\$ 0	\$ 0.00
36	Cost of Administration (Adult Subacute Sch., Ln. 34)	\$ 0	\$ 0	\$ 0.00
37	Total Cost of Subacute Service (Adult Subacute Sch. 1, Ln. 35)	\$ 0	\$ 0	\$ 0.00
38	Total Patient Days (Adult Subacute Sch. 1, Ln. 36)	0	0	
39	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
40	Overpayments (Adult Subacute Sch. 1, Ln. 38 + Ln. 39)	\$ 0	\$ 0	

SUMMARY OF REVISED FACILITY COST PER PATIENT DAY

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility No.:
206361378

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

ALLOCATION OF GENERAL SERVICES - LABOR
(DIRECT CARE)

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility No.:
206361378

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Svcs	Activities	Total
			155	160	
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)	\$ 68,709	\$ 68,709		
160.00	Activities (Salaries, Fringe Benefits, & Agency Labor)	123,876		\$ 123,876	
165.00	Administration				
165.00	Medical Records				
170.00	Inservice Education - Nursing				
ANCILLARY SERVICES					
75.00	Patient Supplies	11,072	0	0	\$ 11,072
77.00	Specialized Support Surfaces	N/A	0	0	0
80.00	Physical Therapy	251,743	0	0	251,743
81.00	Respiratory Therapy	0	0	0	0
82.00	Occupational Therapy	171,320	0	0	171,320
83.00	Speech Pathology	35,013	0	0	35,013
85.00	Pharmacy	293,049	0	0	293,049
90.00	Laboratory	23,269	0	0	23,269
95.00	Home Health Services	0	0	0	0
100.00	Other Ancillary Services	20,644	0	0	20,644
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	3,120,220	68,709	123,876	3,312,805 *
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	35,250	0	0	35,250
145.00	Other Nonreimbursable	0	0	0	0
	TOTAL	\$ 4,154,165	\$ 68,709	\$ 123,876	\$ 4,154,165

* (To Schedule 1)

ALLOCATION OF GENERAL SERVICES - LABOR
(INDIRECT CARE)

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	In-serv. Ed 170	Accumulated Costs	Admin 165	Medical Records 165	Total
GENERAL SERVICES													
5.00	Plant Operations and Maintenance	\$ 185,947	\$ 185,947										
10.00	Housekeeping	197,357	407	\$ 197,764									
60.00	Laundry and Linen	136,186	5,841	6,226	\$ 148,253								
65.00	Dietary	346,244	23,589	25,143	0	\$ 394,975							
155.00	Social Services	N/A	606	646	0	0	\$ 1,253						
160.00	Activities	N/A	4,660	4,967	0	0	0	\$ 9,628					
165.00	Administration	N/A	2,514	2,679	0	0	0	0		\$ 5,193	\$ 5,193		
165.00	Medical Records	33,905	3,344	3,564	0	0	0	0		40,812		\$ 40,812	
170.00	Inservice Education - Nursing	73,518	3,703	3,947	0	0	0	0	\$ 81,167				
ANCILLARY SERVICES													
75.00	Patient Supplies		567	604	0	0	0	0	0	1,170	11	89	\$ 1,271
77.00	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0
80.00	Physical Therapy		4,293	4,576	0	0	0	0	0	8,869	228	1,794	10,892
81.00	Respiratory Therapy		646	689	0	0	0	0	0	1,335	2	17	1,355
82.00	Occupational Therapy		0	0	0	0	0	0	0	0	145	1,143	1,288
83.00	Speech Pathology		0	0	0	0	0	0	0	0	30	234	263
85.00	Pharmacy		0	0	0	0	0	0	0	0	249	1,955	2,203
90.00	Laboratory		0	0	0	0	0	0	0	0	20	155	175
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	18	138	155
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		128,779	137,264	148,253	394,975	1,253	9,628	81,167	901,319	4,436	34,866	940,621 *
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		790	842	0	0	0	0	0	1,632	33	256	1,921
145.00	Other Nonreimbursable		6,208	6,617	0	0	0	0	0	12,826	21	166	13,013
	TOTAL	\$ 973,157	\$ 185,947	\$ 197,764	\$ 148,253	\$ 394,975	\$ 1,253	\$ 9,628	\$ 81,167	\$ 927,152	\$ 5,193	\$ 40,812	\$ 973,157

* (To Schedule 1)

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

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Provider Number:
ZZT05565G

Provider Number:
1265433957

OSHPD Facility Number:
206361378

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops 5	Hskpng 10	Laundry 60	Dietary 65	Soc Svcs 155	Activities 160	In-serv. Ed 170	Accumulated Costs	Admin 165	Medical Records 165	Total
GENERAL SERVICES													
5.00	Plant Operations and Maintenance	\$ 258,911	\$ 258,911										
10.00	Housekeeping	48,177	567	\$ 48,744									
60.00	Laundry and Linen	75,946	8,133	1,535	\$ 85,614								
65.00	Dietary	379,208	32,844	6,197	0	\$ 418,249							
155.00	Social Services	1,269	844	159	0	0	\$ 2,273						
160.00	Activities	5,071	6,489	1,224	0	0	0	\$ 12,784					
165.00	Administration	N/A	3,500	660	0	0	0	0		\$ 4,160	\$ 4,160		
165.00	Medical Records	0	4,656	878	0	0	0	0		5,534		\$ 5,534	
170.00	Inservice Education - Nursing	0	5,156	973	0	0	0	0	\$ 6,128				
ANCILLARY SERVICES													
75.00	Patient Supplies	0	789	149	0	0	0	0	0	938	9	12	\$ 959
77.00	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
80.00	Physical Therapy	0	5,978	1,128	0	0	0	0	0	7,106	183	243	7,532
81.00	Respiratory Therapy	0	900	170	0	0	0	0	0	1,070	2	2	1,074
82.00	Occupational Therapy	0	0	0	0	0	0	0	0	0	116	155	271
83.00	Speech Pathology	0	0	0	0	0	0	0	0	0	24	32	55
85.00	Pharmacy	0	0	0	0	0	0	0	0	0	199	265	464
90.00	Laboratory	0	0	0	0	0	0	0	0	0	16	21	37
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	14	19	33
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	225,294	179,311	33,832	85,614	418,249	2,273	12,784	6,128	963,486	3,554	4,728	971,767 *
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		1,100	208	0	0	0	0	0	1,308	26	35	1,368
145.00	Other Nonreimbursable		8,644	1,631	0	0	0	0	0	10,275	17	23	10,315
	TOTAL	\$ 993,876	\$ 258,911	\$ 48,744	\$ 85,614	\$ 418,249	\$ 2,273	\$ 12,784	\$ 6,128	\$ 984,182	\$ 4,160	\$ 5,534	\$ 993,876

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Svcs	Activities
				Various	5	10	60	65	155	160
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 29,452	53%							
	Property Tax (line 40)	26,015	47%	\$ 55,467						
5.00	Plant Operations and Maintenance			0	\$ -					
10.00	Housekeeping			121	0	\$ 121				
60.00	Laundry and Linen			1,742	0	4	\$ 1,746			
65.00	Dietary			7,036	0	15	0	\$ 7,052		
155.00	Social Services			181	0	0	0	0	\$ 181	
160.00	Activities			1,390	0	3	0	0	0	\$ 1,393
165.00	Administration			750	0	2	0	0	0	0
165.00	Medical Records			997	0	2	0	0	0	0
170.00	Inservice Education - Nursing			1,104	0	2	0	0	0	0
ANCILLARY SERVICES										
75.00	Patient Supplies			169	0	0	0	0	0	0
77.00	Specialized Support Surfaces			0	0	0	0	0	0	0
80.00	Physical Therapy			1,281	0	3	0	0	0	0
81.00	Respiratory Therapy			193	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			38,414	0	84	1,746	7,052	181	1,393
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			236	0	1	0	0	0	0
145.00	Other Nonreimbursable			1,852	0	4	0	0	0	0
	TOTAL	\$ 55,467	100%	\$ 55,467	\$ -	\$ 121	\$ 1,746	\$ 7,052	\$ 181	\$ 1,393

* (To Schedule 1)

ALLOCATION OF CAPITAL COSTS

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

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 53% Of Total	Property Tax 47% Of Total
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 29,452	53%							
	Property Tax (line 40)	26,015	47%							
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				\$ 751	\$ 751				
165.00	Medical Records				1,000		\$ 1,000			
170.00	Inservice Education - Nursing			\$ 1,107						
ANCILLARY SERVICES										
75.00	Patient Supplies			0	169	2	2	\$ 173	\$ 92	\$ 81
77.00	Specialized Support Surfaces			0	0	0	0	0	0	0
80.00	Physical Therapy			0	1,283	33	44	1,360	722	638
81.00	Respiratory Therapy			0	193	0	0	194	103	91
82.00	Occupational Therapy			0	0	21	28	49	26	23
83.00	Speech Pathology			0	0	4	6	10	5	5
85.00	Pharmacy			0	0	36	48	84	45	39
90.00	Laboratory			0	0	3	4	7	4	3
95.00	Home Health Services			0	0	0	0	0	0	0
100.00	Other Ancillary Services			0	0	3	3	6	3	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			1,107	49,978	642	854	51,474	27,332	24,142
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	236	5	6	247	131	116
145.00	Other Nonreimbursable			0	1,856	3	4	1,863	989	874
	TOTAL	\$ 55,467	100%	\$ 1,107	\$ 53,716	\$ 751	\$ 1,000	\$ 55,467	\$ 29,452	\$ 26,015

* (To Schedule 1)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

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. 97% of Total	Facility License Fees 3% of Total	Liability Insurance 0% of Total	Caregiver Training 0% of Total	Quality Assur. Fees 0% of Total
	GENERAL SERVICES													
45.00	Property Insurance	\$ 69,439												
55.00	Interest-Other	0												
165.00	Administration (Salaries & Wages, Fringe Benefits, and Other - Nonlabor - excludes lines 165.03 - 165.10)	1,358,420												
	Total Costs Allocable as Administration	1,427,859	97%											
165.07	Facility License Fees	40,305	3%											
165.08	Liability Insurance	0	0%											
165.09	Caregiver Training	0	0%											
165.10	Quality Assurance Fees	0	0%											
	Total	1,468,164	100%						\$ 1,468,164					
	ANCILLARY SERVICES													
75.00	Patient Supplies			\$ 11,072	\$ 1,170	\$ 938	\$ 169	\$ 13,350	3,203	\$ 3,115	\$ 88	\$ -	\$ -	\$ -
77.00	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
80.00	Physical Therapy			251,743	8,869	7,106	1,283	269,001	64,541	62,769	1,772	0	0	0
81.00	Respiratory Therapy			0	1,335	1,070	193	2,598	623	606	17	0	0	0
82.00	Occupational Therapy			171,320	0	0	0	171,320	41,104	39,976	1,128	0	0	0
83.00	Speech Pathology			35,013	0	0	0	35,013	8,401	8,170	231	0	0	0
85.00	Pharmacy			293,049	0	0	0	293,049	70,310	68,380	1,930	0	0	0
90.00	Laboratory			23,269	0	0	0	23,269	5,583	5,430	153	0	0	0
95.00	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100.00	Other Ancillary Services			20,644	0	0	0	20,644	4,953	4,817	136	0	0	0
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			3,312,805	901,319	963,486	49,978	5,227,587	1,254,239	1,219,807	34,432	0	0	0
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			35,250	1,632	1,308	236	38,426	9,219	8,966	253	0	0	0
145.00	Other Nonreimbursable			0	12,826	10,275	1,856	24,957	5,988	5,824	164	0	0	0
	SUBTOTAL	\$ 1,468,164		\$ 4,154,165	\$ 927,152	\$ 984,182	\$ 53,716	\$ 6,119,214	\$ 1,468,164					
	Total Administrative Costs							\$ 1,468,164		\$ 1,427,859	\$ 40,305	\$ -	\$ -	\$ -
	Unit Cost Multiplier							0.23992688						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 46,005	\$ 9,694	\$ 751	\$ 56,451							
	TOTAL FACILITY COSTS							\$ 7,643,829						

* (To Schedule 1)

STATISTICS FOR COST ALLOCATION

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

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)
	GENERAL SERVICES										
5	Plant Operations and Maintenance										
10	Housekeeping	51	51								
60	Laundry and Linen	732	732	732							
65	Dietary	2,956	2,956	2,956							
155	Social Services	76	76	76							
160	Activities	584	584	584							
165	Administration	315	315	315							
165	Medical Records	419	419	419							
170	Inservice Education - Nursing	464	464	464							
	ANCILLARY SERVICES										
75	Patient Supplies	71	71	71						13,350	13,350
77	Specialized Support Surfaces									0	0
80	Physical Therapy	538	538	538						269,001	269,001
81	Respiratory Therapy	81	81	81						2,598	2,598
82	Occupational Therapy									171,320	171,320
83	Speech Pathology									35,013	35,013
85	Pharmacy									293,049	293,049
90	Laboratory									23,269	23,269
95	Home Health Services									0	0
100	Other Ancillary Services									20,644	20,644
100	Subacute Ancillary Services									0	0
100	Subacute Pediatrics Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	16,138	16,138	16,138	93,102	137,451	3,345,514	3,345,514	3,345,514	5,227,587	5,227,587
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	99	99	99						38,426	38,426
145	Other Nonreimbursable	778	778	778						24,957	24,957
	TOTAL STATISTICS	23,302	23,302	23,251	93,102	137,451	3,345,514	3,345,514	3,345,514	6,119,214	6,119,214
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 68,709 0.020537651	\$ 123,876 0.037027494			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 185,947 7.97987297	\$ 197,764 8.50561152	\$ 148,253 1.59237583	\$ 394,975 2.87357016	\$ 1,253 0.00037450	\$ 9,628 0.00287774	\$ 81,167 0.02426152	\$ 5,193 0.00084863	\$ 40,812 0.00666955
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 258,911 11.11110634	\$ 48,744 2.09641161	\$ 85,614 0.91957104	\$ 418,249 3.04289836	\$ 2,273 0.00067935	\$ 12,784 0.00382129	\$ 6,128 0.00183179	\$ 4,160 0.00067989	\$ 5,534 0.00090436
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 55,467 2.38035362	\$ - 0.00000000	\$ 121 0.00522120	\$ 1,746 0.01875621	\$ 7,052 0.05130380	\$ 181 0.00005419	\$ 1,393 0.00041643	\$ 1,107 0.00033086	\$ 751 0.00012280	\$ 1,000 0.00016335

SUMMARY OF REVISED PROGRAM EXPENSES

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Line No.	Natural Class	ACCOUNT TITLE	Account Number	AS AUDITED	AUDIT REVISIONS			FORMAL AS REVISED
					(SCHEDULE 8A-1)	SUBTOTAL	(SCHEDULE 8A-2)	
5.00		Plant Operations and Maintenance	6200	\$ 0	\$ 0	\$ 0	\$ 0	
5.01	.01-.19	Salaries and Wages	6200	147,973	0	147,973	0	147,973 (Sch 3)
5.02	.20-.39	Fringe Benefits	6200	37,974	0	37,974	0	37,974 (Sch 3)
5.03	.79	Agency Staff	6200	0	0	0	0	0 (Sch 3)
5.04	.40-.99	Other - Nonlabor	6200	258,911	0	258,911	0	258,911 (Sch 4)
5.05		Plant Operations and Maintenance - Total	6200	\$ 444,858	\$ 0	\$ 444,858	\$ 0	\$ 444,858
10.00		Housekeeping	6300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
10.01	.01-.19	Salaries and Wages	6300	156,447	0	156,447	0	156,447 (Sch 3)
10.02	.20-.39	Fringe Benefits	6300	40,910	0	40,910	0	40,910 (Sch 3)
10.03	.79	Agency Staff	6300	0	0	0	0	0 (Sch 3)
10.04	.40-.99	Other - Nonlabor	6300	48,177	0	48,177	0	48,177 (Sch 4)
10.05		Housekeeping - Total	6300	\$ 245,534	\$ 0	\$ 245,534	\$ 0	\$ 245,534
15.00		Depreciation: Bldgs and Improvements	7110 - 7120	\$ 4,982	\$ 0	\$ 4,982	\$ 0	\$ 4,982 (Sch 5)
20.00		Depreciation: Leasehold Improvements	7130	0	0	0	0	0 (Sch 5)
25.00		Depreciation: Equipment	7140	23,525	0	23,525	0	23,525 (Sch 5)
30.00		Depreciation and Amortization - Other	7150 - 7160	0	0	0	0	0 (Sch 5)
35.00		Leases and Rentals	7200	945	0	945	0	945 (Sch 5)
40.00		Property Taxes	7300	26,015	0	26,015	0	26,015 (Sch 5)
45.00		Property Insurance	7400	69,439	0	69,439	0	69,439 (Sch 6)
50.00		Interest-Property, Plant, and Equipment	7500	0	0	0	0	0 (Sch 5)
55.00		Interest-Other	7600	0	0	0	0	0 (Sch 6)
57.00		Subtotal 005 - 055		\$ 815,298	\$ 0	\$ 815,298	\$ 0	\$ 815,298
60.00		Laundry and Linen	6400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
60.01	.01-.19	Salaries and Wages	6400	106,451	0	106,451	0	106,451 (Sch 3)
60.02	.20-.39	Fringe Benefits	6400	29,735	0	29,735	0	29,735 (Sch 3)
60.03	.79	Agency Staff	6400	0	0	0	0	0 (Sch 3)
60.04	.40-.99	Other - Nonlabor	6400	75,946	0	75,946	0	75,946 (Sch 4)
60.05		Laundry and Linen - Total	6400	\$ 212,132	\$ 0	\$ 212,132	\$ 0	\$ 212,132
65.00		Dietary	6500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
65.01	.01-.19	Salaries and Wages	6500	270,697	0	270,697	0	270,697 (Sch 3)
65.02	.20-.39	Fringe Benefits	6500	75,547	0	75,547	0	75,547 (Sch 3)
65.03	.79	Agency Staff	6500	0	0	0	0	0 (Sch 3)
65.04	.40-.99	Other - Nonlabor	6500	379,208	0	379,208	0	379,208 (Sch 4)
65.05		Dietary - Total	6500	\$ 725,452	\$ 0	\$ 725,452	\$ 0	\$ 725,452
70.00		Provision for Bad Debts	7700	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
		Ancillary Services (Note 1)						
75.00		Patient Supplies	8100	\$ 11,072	\$ 0	\$ 11,072	\$ 0	\$ 11,072 (Sch 2)
75.01	.01-.19	Salaries and Wages	8100	0	0	0	0	0 (Sch 2)
75.02	.20-.39	Fringe Benefits	8100	0	0	0	0	0 (Sch 2)
75.03	.79	Agency Staff	8100	0	0	0	0	0 (Sch 2)
75.04	.40-.99	Other - Nonlabor	8100	0	0	0	0	0 (Sch 4)
75.05		Patient Supplies - Total	8100	\$ 11,072	\$ 0	\$ 11,072	\$ 0	\$ 11,072
77.00		Specialized Support Surfaces	8150	0	0	0	0	0 (Sch 4)
80.00		Physical Therapy	8200	\$ 251,743	\$ 0	\$ 251,743	\$ 0	\$ 251,743 (Sch 2)
80.01	.01-.19	Salaries and Wages	8200	0	0	0	0	0 (Sch 2)
80.02	.20-.39	Fringe Benefits	8200	0	0	0	0	0 (Sch 2)
80.03	.79	Agency Staff	8200	0	0	0	0	0 (Sch 2)
80.04	.40-.99	Other - Nonlabor	8200	0	0	0	0	0 (Sch 4)
80.05		Physical Therapy - Total	8200	\$ 251,743	\$ 0	\$ 251,743	\$ 0	\$ 251,743
81.00		Respiratory Therapy	8220	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0 (Sch 2)
81.01	.01-.19	Salaries and Wages	8220	0	0	0	0	0 (Sch 2)
81.02	.20-.39	Fringe Benefits	8220	0	0	0	0	0 (Sch 2)
81.03	.79	Agency Staff	8220	0	0	0	0	0 (Sch 2)
81.04	.40-.99	Other - Nonlabor	8220	0	0	0	0	0 (Sch 4)
81.05		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

SUMMARY OF REVISED PROGRAM EXPENSES

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Line No.	Natural Class	ACCOUNT TITLE	Account Number	AS AUDITED	AUDIT REVISIONS			FORMAL AS REVISED
					(SCHEDULE 8A-1)	SUBTOTAL	(SCHEDULE 8A-2)	
82.00		Occupational Therapy	8250	\$ 171,320	\$ 0	\$ 171,320	\$ 0	\$ 171,320 (Sch 2)
82.01	.01-.19	Salaries and Wages	8250	0	0	0	0	0 (Sch 2)
82.02	.20-.39	Fringe Benefits	8250	0	0	0	0	0 (Sch 2)
82.03	.79	Agency Staff	8250	0	0	0	0	0 (Sch 2)
82.04	.40-.99	Other - Nonlabor	8250	0	0	0	0	0 (Sch 4)
82.05		Occupational Therapy - Total	8250	\$ 171,320	\$ 0	\$ 171,320	\$ 0	\$ 171,320
83.00		Speech Pathology	8280	\$ 35,013	\$ 0	\$ 35,013	\$ 0	\$ 35,013 (Sch 2)
83.01	.01-.19	Salaries and Wages	8280	0	0	0	0	0 (Sch 2)
83.02	.20-.39	Fringe Benefits	8280	0	0	0	0	0 (Sch 2)
83.03	.79	Agency Staff	8280	0	0	0	0	0 (Sch 2)
83.04	.40-.99	Other - Nonlabor	8280	0	0	0	0	0 (Sch 4)
83.05		Speech Pathology - Total	8280	\$ 35,013	\$ 0	\$ 35,013	\$ 0	\$ 35,013
85.00		Pharmacy	8300	\$ 293,049	\$ 0	\$ 293,049	\$ 0	\$ 293,049 (Sch 2)
85.01	.01-.19	Salaries and Wages	8300	0	0	0	0	0 (Sch 2)
85.02	.20-.39	Fringe Benefits	8300	0	0	0	0	0 (Sch 2)
85.03	.79	Agency Staff	8300	0	0	0	0	0 (Sch 2)
85.04	.40-.99	Other - Nonlabor	8300	0	0	0	0	0 (Sch 4)
85.05		Pharmacy - Total	8300	\$ 293,049	\$ 0	\$ 293,049	\$ 0	\$ 293,049
90.00		Laboratory	8400	\$ 23,269	\$ 0	\$ 23,269	\$ 0	\$ 23,269 (Sch 2)
90.01	.01-.19	Salaries and Wages	8400	0	0	0	0	0 (Sch 2)
90.02	.20-.39	Fringe Benefits	8400	0	0	0	0	0 (Sch 2)
90.03	.79	Agency Staff	8400	0	0	0	0	0 (Sch 2)
90.04	.40-.99	Other - Nonlabor	8400	0	0	0	0	0 (Sch 4)
90.05		Laboratory - Total	8400	\$ 23,269	\$ 0	\$ 23,269	\$ 0	\$ 23,269
95.00		Home Health Services	8800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0 (Sch 2)
95.01	.01-.19	Salaries and Wages	8800	0	0	0	0	0 (Sch 2)
95.02	.20-.39	Fringe Benefits	8800	0	0	0	0	0 (Sch 2)
95.03	.79	Agency Staff	8800	0	0	0	0	0 (Sch 2)
95.04	.40-.99	Other - Nonlabor	8800	0	0	0	0	0 (Sch 4)
95.05		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
100.00		Other Ancillary Services	8900	\$ 20,644	\$ 0	\$ 20,644	\$ 0	\$ 20,644 (Sch 2)
100.01	.01-.19	Salaries and Wages	8900	0	0	0	0	0 (Sch 2)
100.02	.20-.39	Fringe Benefits	8900	0	0	0	0	0 (Sch 2)
100.03	.79	Agency Staff	8900	0	0	0	0	0 (Sch 2)
100.04	.40-.99	Other - Nonlabor	8900	0	0	0	0	0 (Sch 4)
100.05		Other Ancillary Services - Total	8900	\$ 20,644	\$ 0	\$ 20,644	\$ 0	\$ 20,644
100.06		Subacute Ancillary Services		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0 (Sch 2)
100.07	.01-.19	Salaries and Wages		0	0	0	0	0 (Sch 2)
100.08	.20-.39	Fringe Benefits		0	0	0	0	0 (Sch 2)
100.09	.79	Agency Staff		0	0	0	0	0 (Sch 2)
100.10	.40-.99	Other - Nonlabor		0	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	\$ 0	\$ 0 (Sch 2)
101.00		Subtotal 075 - 100.12		\$ 806,110	\$ 0	\$ 806,110	\$ 0	\$ 806,110
		Routine Services						
105.00		Skilled Nursing Care	6110	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
105.01	.01-.19	Salaries and Wages	6110	2,499,552	0	2,499,552	0	2,499,552 (Sch 2)
105.02	.20-.39	Fringe Benefits	6110	620,668	0	620,668	0	620,668 (Sch 2)
105.03	.49	Agency Staff	6110	0	0	0	0	0 (Sch 2)
105.04	.40-.99	Other - Nonlabor	6110	225,294	0	225,294	0	225,294 (Sch 4)
105.05		Skilled Nursing Care - Total	6110	\$ 3,345,514	\$ 0	\$ 3,345,514	\$ 0	\$ 3,345,514
110.00		Intermediate Care	6120	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0 (Sch 2)
115.00		Mentally Disordered	6130	0	0	0	0	0 (Sch 2)
120.00		Developmentally Disabled	6140	0	0	0	0	0 (Sch 2)

SUMMARY OF REVISED PROGRAM EXPENSES

Provider Name:
WATERMAN CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
ZZT05565G

Provider NPI:
1265433957

OSHPD Facility Number:
206361378

Line No.	Natural Class	ACCOUNT TITLE	Account Number	AS AUDITED	AUDIT REVISIONS			FORMAL AS REVISED
					(SCHEDULE 8A-1)	SUBTOTAL	(SCHEDULE 8A-2)	
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	
126.00		Subacute Care - Pediatrics	6160	\$ 0	\$ 0	\$ 0	\$ 0	(Sch 2)
130.00		Hospice Inpatient Care	6180	0	0	0	0	(Sch 2)
135.00		Other Routine Services	6190	0	0	0	0	(Sch 2)
		Other Nonreimbursable						
136.00		Residential Care	9100	\$ 0	\$ 0	\$ 0	\$ 0	(Sch 2)
140.00		Beauty and Barber	8900	35,250	35,250	0	35,250	(Sch 2)
145.00		Other Nonreimbursable	9100	0	0	0	0	(Sch 2)
146.00		Subtotal 105 - 145		\$ 3,380,764	\$ 0	\$ 3,380,764	\$ 0	\$ 3,380,764
155.00		Social Services	6600	\$ 0	\$ 0	\$ 0	\$ 0	
155.01	.01-.19	Salaries and Wages	6600	53,214	0	53,214	0	53,214 (Sch 2)
155.02	.20-.39	Fringe Benefits	6600	15,495	0	15,495	0	15,495 (Sch 2)
155.03	.79	Agency Staff	6600	0	0	0	0	0 (Sch 2)
155.04	.40-.99	Other - Nonlabor	6600	1,269	0	1,269	0	1,269 (Sch 4)
155.05		Social Services - Total	6600	\$ 69,978	\$ 0	\$ 69,978	\$ 0	\$ 69,978
160.00		Activities	6700	\$ 0	\$ 0	\$ 0	\$ 0	
160.01	.01-.19	Salaries and Wages	6700	98,374	0	98,374	0	98,374 (Sch 2)
160.02	.20-.39	Fringe Benefits	6700	25,502	0	25,502	0	25,502 (Sch 2)
160.03	.79	Agency Staff	6700	0	0	0	0	0 (Sch 2)
160.04	.40-.99	Other - Nonlabor	6700	5,071	0	5,071	0	5,071 (Sch 4)
160.05		Activities - Total	6700	\$ 128,947	\$ 0	\$ 128,947	\$ 0	\$ 128,947
165.00		Administration	6900	\$ 0	\$ 0	\$ 0	\$ 0	
165.01	.01-.19	Salaries and Wages	6900	427,497	0	427,497	0	427,497 (Sch 6)
165.02	.20-.39	Fringe Benefits	6900	106,146	0	106,146	0	106,146 (Sch 6)
165.03	.01-.19	Medical Records - Salaries and Wages	6900	27,748	0	27,748	0	27,748 (Sch 3)
165.04	.20-.39	Medical Records - Fringe Benefits	6900	6,157	0	6,157	0	6,157 (Sch 3)
165.05	.79	Medical Records - Agency Staff	6900	0	0	0	0	0 (Sch 3)
165.06	.40-.99	Medical Records - Other - Nonlabor	6900	0	0	0	0	0 (Sch 4)
165.07		Facility License Fees	6900	40,305	0	40,305	0	40,305 (Sch 6)
165.08		Liability Insurance	6900	0	0	0	0	0 (Sch 6)
165.09		Caregiver Training	6900	0	0	0	0	0 (Sch 6)
165.10		Quality Assurance Fees	6900	0	0	0	0	0 (Sch 6)
165.11	.40-.99	Other - Nonlabor	6900	695,836	0	695,836	128,941	824,777 (Sch 6)
165.12		Administration - Total	6900	\$ 1,303,689	\$ 0	\$ 1,303,689	\$ 128,941	\$ 1,432,630
170.00		Inservice Education - Nursing	6800	\$ 0	\$ 0	\$ 0	\$ 0	
170.01	.01-.19	Salaries and Wages	6800	58,058	0	58,058	0	58,058 (Sch 3)
170.02	.20-.39	Fringe Benefits	6800	15,460	0	15,460	0	15,460 (Sch 3)
170.03	.79	Agency Staff	6800	0	0	0	0	0 (Sch 3)
170.04	.40-.99	Other - Nonlabor	6800	0	0	0	0	0 (Sch 4)
170.05		Inservice Education - Nursing - Total	6800	\$ 73,518	\$ 0	\$ 73,518	\$ 0	\$ 73,518
171.00		Subtotal 155 - 170.05		\$ 1,576,132	\$ 0	\$ 1,576,132	\$ 128,941	\$ 1,705,073
175.00		Total		\$ 7,515,888	\$ 0	\$ 7,515,888	\$ 128,941	\$ 7,644,829

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

Provider Name				Fiscal Period			Provider Number		Revisions	
WATERMAN CONVALESCENT HOSPITAL				JANUARY 1, 2008 THROUGH DECEMBER 31, 2008			ZZT05565G		5	
Report References							Explanation of Audit Revisions	As Audited	Increase (Decrease)	As Revised
Audit Report			Revised Report							
Rev. No.	Sch.	Line	Col.	Sch.	Line	Col.				
<u>REVISIONS TO AUDITED COSTS</u>										
	8A-2	165.11		8A-2	165.11		Administration - Other - Nonlabor	\$695,836		
1							Revision to adjustment 19. To reverse the collection fees adjustment based upon Appeals' Final Decision, Case No. NF11-1208-068J-MR, Issue No. 1.		\$3,668	
2							Revision to adjustment 23. To reverse the collection expense adjustment based upon Appeals' Final Decision, Case No. NF11-1208-068J-MR, Issue No. 1.		67,543	
3							Revision to adjustment 24. To reverse the legal expenses related to collections adjustment based upon Appeals' Final Decision, Case No. NF11-1208-068J-MR, Issue No. 1.		699	
4							Revision to adjustment 22. To reverse the legal fees of a related organization adjustment based upon Appeals' Final Decision, Case No. NF11-1208-068J-MR, Issue No. 1.		30,289	
5							Revision to adjustment 25. To revise the home office adjustment based upon Appeals' Final Decision, Case No. NF11-1208-068J-MR, Issue No. 1.		<u>26,742</u> \$128,941	\$824,777