

**REPORT
ON THE
RATE SETTING AUDIT**

**VALLEY CONVALESCENT HOSPITAL
WATSONVILLE, CALIFORNIA
PROVIDER NUMBER: ZZR06178G AND
NPI NUMBER: 1346241460**

**FISCAL PERIOD ENDED
DECEMBER 31, 2009**

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

**Section Chief: Louise Wong
Audit Supervisor: Jesse Duran
Auditor: John Uribe**



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

April 15, 2011

Robert Ditlevsen, Administrator
Valley Convalescent Hospital
919 Freedom Blvd.
Watsonville, CA 95076

PROVIDER: VALLEY CONVALESCENT HOSPITAL
PROVIDER NUMBER: ZZR06178G
NPI NUMBER: 1346241460
FISCAL PERIOD ENDED DECEMBER 31, 2009

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, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the 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.

Robert Ditlevsen
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If you disagree with the decision of the Department, you may appeal by writing to:

John Melton, 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
P.O. 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—Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief
Audits Section—Richmond
Financial Audits Branch

Certified

SUMMARY OF AUDITED FACILITY COST PER PATIENT DAY

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility No.:
206440914

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	\$ 1,904,557	\$ 97.79
2	Cost of Indirect Care - Labor (Sch. 3, Ln. 105)	\$ N/A	\$ 494,747	\$ 25.40
3	Cost of Direct and Indirect NonLabor - Other (Sch. 4, Ln. 105)	\$ N/A	\$ 821,160	\$ 42.16
4	Cost of Capital Related (Sch. 5, Ln. 105)	\$ N/A	\$ 330,230	\$ 16.96
5	Property Taxes (Sch. 5, Ln. 105)	\$ N/A	\$ 6,117	\$ 0.31
6	DPH Licensing Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 14,458	\$ 0.74
7	Liability Insurance (Sch. 6, Ln. 105)	\$ N/A	\$ 30,859	\$ 1.58
8	Caregiver Training (Sch. 6, Ln. 105)	\$ N/A	\$ 0	\$ 0.00
9	Quality Assurance Fees (Sch. 6, Ln. 105)	\$ N/A	\$ 143,364	\$ 7.36
10	Cost of Administration (Sch. 6, Ln. 105)	\$ N/A	\$ 607,390	\$ 31.19
11	Cost of Routine Service/Audited Total Costs	\$ 4,361,628	\$ 4,352,882	\$ 223.50
12	Total Patient Days (Adj 13)	19,319	19,476	
13	Cost Per Patient Day (Cost Divided by Days)	\$ 225.77	\$ 223.50	
14	Overpayments (Adj)	\$ 0	\$ 0	
15				
INTERMEDIATE CARE				
16	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
17	Total Patient Days (Adj)		0	
18	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
19	Overpayments (Adj)	\$	\$ 0	
MENTALLY DISORDERED CARE				
20	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
21	Total Patient Days (Adj)		0	
22	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
23	Overpayments (Adj)	\$	\$ 0	
DEVELOPMENTALLY DISABLED				
24	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
25	Total Patient Days (Adj)		0	
26	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
27	Overpayments (Adj)	\$	\$ 0	
SUBACUTE CARE				
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	DPH 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	Quality Assurance Fees (Adult Subacute Sch. 1, Ln. 32)	\$ N/A	\$ 0	\$ 0.00 *
36	Caregiver Training (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	

SUMMARY OF AUDITED FACILITY COST PER PATIENT DAY

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility No.:
206440914

Line No.	PROGRAM DESCRIPTION	AS REPORTED	AS AUDITED	AUDITED COST PER PATIENT DAY
SUBACUTE - 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	
TRANSITIONAL INPATIENT CARE				
48	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
49	Total Patient Days (Adj)		0	
50	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
51	Overpayments (Adj)	\$	\$ 0	
HOSPICE INPATIENT CARE				
52	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
53	Total Patient Days (Adj)		0	
54	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
55	Overpayments (Adj)	\$	\$ 0	
OTHER ROUTINE SERVICES				
56	Cost of Routine Service (Sch. 2, 3, 4, 5, 6)	\$	\$ 0	
57	Total Patient Days (Adj)		0	
58	Cost Per Patient Day (Cost Divided by Days)	\$ 0.00	\$ 0.00	
59	Overpayments (Adj)	\$	\$ 0	

* (From Adult Subacute Schedule 1)

ALLOCATION OF GENERAL SERVICES - LABOR
(DIRECT CARE)

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility No.:
206440914

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Soc Srvs		Activities	Total
			155	160		
GENERAL SERVICES						
005	Plant Operations and Maintenance					
010	Housekeeping					
060	Laundry and Linen					
065	Dietary					
155	Social Services (Salaries, Fringe Benefits, & Agency Labor)	\$ 97,968	\$ 97,968			
160	Activities (Salaries, Fringe Benefits, & Agency Labor)	33,887		\$ 33,887		
165	Administration					
166	Medical Records					
170	Inservice Education - Nursing					
ANCILLARY SERVICES						
075	Patient Supplies	153,224	0	0	0	153,224 *****
077	Specialized Support Surfaces	N/A	0	0	0	0 *****
080	Physical Therapy	197,431	0	0	0	197,431 *****
081	Respiratory Therapy	0	0	0	0	0 *****
082	Occupational Therapy	156,696	0	0	0	156,696 *****
083	Speech Pathology	12,995	0	0	0	12,995 *****
085	Pharmacy	0	0	0	0	0 *****
090	Laboratory	332	0	0	0	332 ***
095	Home Health Services	0	0	0	0	0
100	Other Ancillary Services	1,815	0	0	0	1,815 ***
101	Subacute Ancillary Services	0	0	0	0	0 ***
102	Subacute Pediatrics Ancillary Services	0	0	0	0	0 *****
ROUTINE SERVICES						
105	Skilled Nursing Care	1,772,702	97,968	33,887	0	1,904,557 *
110	Intermediate Care	0	0	0	0	0 *
115	Mentally Disordered Care	0	0	0	0	0 *
120	Developmentally Disabled Care	0	0	0	0	0 *
125	Subacute Care	0	0	0	0	0 **
126	Subacute Care - Pediatrics	0	0	0	0	0 *****
128	Transitional Inpatient Care	0	0	0	0	0 *
130	Hospice Inpatient Care	0	0	0	0	0 *
135	Other Routine Services	0	0	0	0	0 *
NONREIMBURSABLE						
139	Residential Care	0	0	0	0	0
140	Beauty and Barber	0	0	0	0	0
145	Other Nonreimbursable	0	0	0	0	0
TOTAL		\$ 2,427,050	\$ 97,968	\$ 33,887	\$ 0	\$ 2,427,050

* (To Schedule 1)
 ** (To Adult Subacute Schedule 1)
 *** (To Adult Subacute Schedule 2)
 **** (To Pediatric Subacute Schedule 1)
 ***** (To Adult Subacute Schedule 2 & Pediatric Subacute Schedule 2)

ALLOCATION OF GENERAL SERVICES - LABOR
(INDIRECT CARE)

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities	In-serv. Ed	Accumulated Costs	Admin	Medical Records	Total
			005	010	060	065	155	160	170		165	166	
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 74,142	\$ 74,142										
010	Housekeeping	111,146	427	\$ 111,573									
060	Laundry and Linen	24,060	3,443	5,211	\$ 32,713								
065	Dietary	255,038	13,024	19,713	0	\$ 287,775							
155	Social Services	N/A	115	174	0	0	\$ 288						
160	Activities	N/A	2,238	3,387	0	0	0	\$ 5,624					
165	Administration	N/A	1,702	2,576	0	0	0	0		\$ 4,278	\$ 4,278		
166	Medical Records	49,632	223	338	0	0	0	0		50,193		\$ 50,193	
170	Inservice Education - Nursing	13,555	344	521	0	0	0	0	\$ 14,420				
ANCILLARY SERVICES													
075	Patient Supplies		402	608	16,357	0	0	0	0	17,366	202	2,375	\$ 19,944 *****
077	Specialized Support Surfaces		0	0	0	0	0	0	0	0	0	0	0 *****
080	Physical Therapy		2,410	3,647	0	0	0	0	0	6,057	236	2,770	9,063 *****
081	Respiratory Therapy		0	0	0	0	0	0	0	0	0	0	0 *****
082	Occupational Therapy		0	0	0	0	0	0	0	0	164	1,922	2,086 *****
083	Speech Pathology		0	0	0	0	0	0	0	0	14	159	173 *****
085	Pharmacy		0	0	0	0	0	0	0	0	0	0	0 *****
090	Laboratory		0	0	0	0	0	0	0	0	0	4	4 ***
095	Home Health Services		0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services		0	0	0	0	0	0	0	0	2	22	24 ***
101	Subacute Ancillary Services		0	0	0	0	0	0	0	0	0	0	0 ***
102	Subacute Pediatrics Ancillary Services		0	0	0	0	0	0	0	0	0	0	0 *****
ROUTINE SERVICES													
105	Skilled Nursing Care		49,241	74,530	16,357	287,775	288	5,624	14,420	448,236	3,653	42,857	494,747 *
110	Intermediate Care		0	0	0	0	0	0	0	0	0	0	0 *
115	Mentally Disordered Care		0	0	0	0	0	0	0	0	0	0	0 *
120	Developmentally Disabled Care		0	0	0	0	0	0	0	0	0	0	0 *
125	Subacute Care		0	0	0	0	0	0	0	0	0	0	0 ***
126	Subacute Care - Pediatrics		0	0	0	0	0	0	0	0	0	0	0 *****
128	Transitional Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
130	Hospice Inpatient Care		0	0	0	0	0	0	0	0	0	0	0 *
135	Other Routine Services		0	0	0	0	0	0	0	0	0	0	0 *
NONREIMBURSABLE													
139	Residential Care		0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber		574	868	0	0	0	0	0	1,442	7	83	1,532
145	Other Nonreimbursable		0	0	0	0	0	0	0	0	0	0	0
	TOTAL	\$ 527,573	\$ 74,142	\$ 111,573	\$ 32,713	\$ 287,775	\$ 288	\$ 5,624	\$ 14,420	\$ 473,102	\$ 4,278	\$ 50,193	\$ 527,573

* (To Schedule 1)
 ** (To Adult Subacute Schedule 1)
 *** (To Adult Subacute Schedule 2)
 **** (To Pediatric Subacute Schedule 1)
 ***** (To Adult Subacute Schedule 2 & Pediatric Subacute Schedule 2)

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

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

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 166	Total
GENERAL SERVICES													
005	Plant Operations and Maintenance	\$ 286,950	\$ 286,950										
010	Housekeeping	33,371	1,653	\$ 35,024									
060	Laundry and Linen	6,786	13,324	1,636	\$ 21,745								
065	Dietary	248,654	50,407	6,188	0	\$ 305,250							
155	Social Services	22,092	444	55	0	0	\$ 22,591						
160	Activities	6,000	8,660	1,063	0	0	0	\$ 15,723					
165	Administration	N/A	6,588	809	0	0	0	0		\$ 7,396	\$ 7,396		
166	Medical Records	1,000	864	106	0	0	0	0		1,970		\$ 1,970	
170	Inservice Education - Nursing	2,000	1,332	164	0	0	0	0	\$ 3,496				
ANCILLARY SERVICES													
075	Patient Supplies	0	1,554	191	10,873	0	0	0	0	12,618	350	93	\$ 13,061
077	Specialized Support Surfaces	0	0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy	0	9,326	1,145	0	0	0	0	0	10,471	408	109	10,988
081	Respiratory Therapy	0	0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy	0	0	0	0	0	0	0	0	0	283	75	359
083	Speech Pathology	0	0	0	0	0	0	0	0	0	23	6	30
085	Pharmacy	0	0	0	0	0	0	0	0	0	0	0	0
090	Laboratory	0	0	0	0	0	0	0	0	0	1	0	1
095	Home Health Services	0	0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services	0	0	0	0	0	0	0	0	0	3	1	4
101	Subacute Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
102	Subacute Pediatrics Ancillary Services	0	0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES													
105	Skilled Nursing Care	241,258	190,576	23,396	10,873	305,250	22,591	15,723	3,496	813,162	6,316	1,682	821,160
110	Intermediate Care	0	0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care	0	0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care	0	0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care	0	0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatrics	0	0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care	0	0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care	0	0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services	0	0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE													
139	Residential Care	0	0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber	0	2,221	273	0	0	0	0	0	2,493	12	3	2,509
145	Other Nonreimbursable	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		\$ 848,111	\$ 286,950	\$ 35,024	\$ 21,745	\$ 305,250	\$ 22,591	\$ 15,723	\$ 3,496	\$ 838,745	\$ 7,397	\$ 1,970	\$ 848,111

* (To Schedule 1)
 ** (To Adult Subacute Schedule 1)
 *** (To Adult Subacute Schedule 2)
 **** (To Pediatric Subacute Schedule 1)
 ***** (To Adult Subacute Schedule 2 & Pediatric Subacute Schedule 2)

ALLOCATION OF CAPITAL COSTS

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	Capital	Plant Ops	Hskpng	Laundry	Dietary	Soc Srvs	Activities
				Various	5	10	60	65	155	160
	GENERAL SERVICES									
	Capital Related (excluding lines 40 & 45)	\$ 356,270	98%							
	Property Tax (line 40)	6,599	2%	\$ 362,869						
005	Plant Operations and Maintenance			11,423	\$ 11,423					
010	Housekeeping			2,025	66	\$ 2,090				
060	Laundry and Linen			16,318	530	98	\$ 16,946			
065	Dietary			61,737	2,007	369	0	\$ 64,113		
155	Social Services			544	18	3	0	0	\$ 565	
160	Activities			10,607	345	63	0	0	0	\$ 11,015
165	Administration			8,068	262	48	0	0	0	0
166	Medical Records			1,058	34	6	0	0	0	0
170	Inservice Education - Nursing			1,632	53	10	0	0	0	0
	ANCILLARY SERVICES									
075	Patient Supplies			1,904	62	11	8,473	0	0	0
077	Specialized Support Surfaces			0	0	0	0	0	0	0
080	Physical Therapy			11,423	371	68	0	0	0	0
081	Respiratory Therapy			0	0	0	0	0	0	0
082	Occupational Therapy			0	0	0	0	0	0	0
083	Speech Pathology			0	0	0	0	0	0	0
085	Pharmacy			0	0	0	0	0	0	0
090	Laboratory			0	0	0	0	0	0	0
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	0	0	0	0	0
101	Subacute Ancillary Services			0	0	0	0	0	0	0
102	Subacute Pediatrics Ancillary Services			0	0	0	0	0	0	0
	ROUTINE SERVICES									
105	Skilled Nursing Care			233,411	7,586	1,396	8,473	64,113	565	11,015
110	Intermediate Care			0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0
126	Subacute Care - Pediatrics			0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0
	NONREIMBURSABLE									
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			2,720	88	16	0	0	0	0
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 362,869	100%	\$ 362,869	\$ 11,423	\$ 2,090	\$ 16,946	\$ 64,113	\$ 565	\$ 11,015

* (To Schedule 1)

** (To Adult Subacute Schedule 1)

*** (To Adult Subacute Schedule 2)

**** (To Pediatric Subacute Schedule 1)

***** (To Adult Subacute Schedule 2 & Pediatric Subacute Schedule 2)

ALLOCATION OF CAPITAL COSTS

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	DESCRIPTION	Net Exp For Cost Alloc (From Sch 8)	Ratio	In-serv. Ed 170	Accumulated Costs	Admin 165	Medical Records 166	Total	Capital Related 98% Of Total	Property Tax 2% Of Total
GENERAL SERVICES										
	Capital Related (excluding lines 40 & 45)	\$ 356,270	98%							
	Property Tax (line 40)	6,599	2%							
005	Plant Operations and Maintenance									
010	Housekeeping									
060	Laundry and Linen									
065	Dietary									
155	Social Services									
160	Activities									
165	Administration				\$ 8,379	\$ 8,379				
166	Medical Records				1,098		\$ 1,098			
170	Inservice Education - Nursing			\$ 1,695						
ANCILLARY SERVICES										
075	Patient Supplies			0	10,450	397	52	\$ 10,899	\$ 10,700	\$ 198 *****
077	Specialized Support Surfaces			0	0	0	0	0	0	0 *****
080	Physical Therapy			0	11,862	462	61	12,385	12,160	225 *****
081	Respiratory Therapy			0	0	0	0	0	0	0 *****
082	Occupational Therapy			0	0	321	42	363	356	7 *****
083	Speech Pathology			0	0	27	3	30	30	1 *****
085	Pharmacy			0	0	0	0	0	0	0 *****
090	Laboratory			0	0	1	0	1	1	0 ***
095	Home Health Services			0	0	0	0	0	0	0
100	Other Ancillary Services			0	0	4	0	4	4	0 ***
101	Subacute Ancillary Services			0	0	0	0	0	0	0 ***
102	Subacute Pediatrics Ancillary Services			0	0	0	0	0	0	0 *****
ROUTINE SERVICES										
105	Skilled Nursing Care			1,695	328,255	7,154	938	336,347	330,230	6,117 *
110	Intermediate Care			0	0	0	0	0	0	0 *
115	Mentally Disordered Care			0	0	0	0	0	0	0 *
120	Developmentally Disabled Care			0	0	0	0	0	0	0 *
125	Subacute Care			0	0	0	0	0	0	0 **
126	Subacute Care - Pediatrics			0	0	0	0	0	0	0 *****
128	Transitional Inpatient Care			0	0	0	0	0	0	0 *
130	Hospice Inpatient Care			0	0	0	0	0	0	0 *
135	Other Routine Services			0	0	0	0	0	0	0 *
NONREIMBURSABLE										
139	Residential Care			0	0	0	0	0	0	0
140	Beauty and Barber			0	2,824	14	2	2,840	2,788	52
145	Other Nonreimbursable			0	0	0	0	0	0	0
	TOTAL	\$ 362,869	100%	\$ 1,695	\$ 353,392	\$ 8,379	\$ 1,098	\$ 362,869	\$ 356,270	\$ 6,599

* (To Schedule 1)
 ** (To Adult Subacute Schedule 1)
 *** (To Adult Subacute Schedule 2)
 **** (To Pediatric Subacute Schedule 1)
 ***** (To Adult Subacute Schedule 2 & Pediatric Subacute Schedule 2)

ALLOCATION OF ADMINISTRATION AND OTHER DIRECT PASS-THROUGH COSTS

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

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. 76% of Total	DPH License Fees 2% of Total	Liability Insurance 4% of Total	Quality Assur. Fees 18% of Total	Caregiver Training 0% of Total
GENERAL SERVICES														
045	Property Insurance	\$ 904												
055	Interest-Other	0												
165	Administration (Salaries & Wages, Fringe Benefits, Agency Staff and Other - Nonlabor)	710,448												
	Total Costs Allocable as Administration	711,352	76%											
167	DPH Licensing Fees	16,933	2%											
168	Liability Insurance	36,141	4%											
169	Quality Assurance Fees	167,903	18%											
174	Caregiver Training	0	0%											
	Total	932,329	100%						\$ 932,329					
ANCILLARY SERVICES														
075	Patient Supplies			\$ 153,224	\$ 17,366	\$ 12,618	\$ 10,450	\$ 193,658	44,120	\$ 33,663	\$ 801	\$ 1,710	\$ 7,946	\$ -
077	Specialized Support Surfaces			0	0	0	0	0	0	0	0	0	0	0
080	Physical Therapy			197,431	6,057	10,471	11,862	225,822	51,448	39,254	934	1,994	9,265	0
081	Respiratory Therapy			0	0	0	0	0	0	0	0	0	0	0
082	Occupational Therapy			156,696	0	0	0	156,696	35,699	27,238	648	1,384	6,429	0
083	Speech Pathology			12,995	0	0	0	12,995	2,961	2,259	54	115	533	0
085	Pharmacy			0	0	0	0	0	0	0	0	0	0	0
090	Laboratory			332	0	0	0	332	76	58	1	3	14	0
095	Home Health Services			0	0	0	0	0	0	0	0	0	0	0
100	Other Ancillary Services			1,815	0	0	0	1,815	414	315	8	16	74	0
101	Subacute Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
102	Subacute Pediatrics Ancillary Services			0	0	0	0	0	0	0	0	0	0	0
ROUTINE SERVICES														
105	Skilled Nursing Care			1,904,557	448,236	813,162	328,255	3,494,210	796,071	607,390	14,458	30,859	143,364	0
110	Intermediate Care			0	0	0	0	0	0	0	0	0	0	0
115	Mentally Disordered Care			0	0	0	0	0	0	0	0	0	0	0
120	Developmentally Disabled Care			0	0	0	0	0	0	0	0	0	0	0
125	Subacute Care			0	0	0	0	0	0	0	0	0	0	0
126	Subacute Care - Pediatrics			0	0	0	0	0	0	0	0	0	0	0
128	Transitional Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
130	Hospice Inpatient Care			0	0	0	0	0	0	0	0	0	0	0
135	Other Routine Services			0	0	0	0	0	0	0	0	0	0	0
NONREIMBURSABLE														
139	Residential Care			0	0	0	0	0	0	0	0	0	0	0
140	Beauty and Barber			0	1,442	2,493	2,824	6,760	1,540	1,175	28	60	277	0
145	Other Nonreimbursable			0	0	0	0	0	0	0	0	0	0	0
	SUBTOTAL	\$ 932,329		\$ 2,427,050	\$ 473,102	\$ 838,745	\$ 353,392	\$ 4,092,288	\$ 932,329					
	Total Administrative Costs							\$ 932,329		\$ 711,352	\$ 16,933	\$ 36,141	\$ 167,903	\$ -
	Unit Cost Multiplier							0.22782584						
	Accumulated Administration Costs (Sch 2 thru 5)			\$ 54,471	\$ 9,366	\$ 8,379	\$ 72,216							
	TOTAL FACILITY COSTS							\$ 5,096,834						

* (To Schedule 1)
 ** (To Adult Subacute Schedule 1)
 *** (To Adult Subacute Schedule 2)
 **** (To Pediatric Subacute Schedule 1)
 ***** (To Adult Subacute Schedule 2 & Pediatric Subacute Schedule 2)

STATISTICS FOR COST ALLOCATION

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	DESCRIPTION	Capital (SQ FT) VARIOUS	Plant Ops (SQ FT) 5	Hskpng (SQ FT) 10	Laundry (LBS) 60	Dietary (MEALS) 65	Soc Svcs (DIRECT EXP) 155	Activities (DIRECT EXP) 160	In-serv. Ed (DIRECT EXP) 170	Admin. (TOTAL ACCUM COST)	Med Records (TOTAL ACCUM COST)
		(Adjs 1,12)	(Adjs 1,12)	(Adjs 1,12)	(Adj 2)	(Adj 3)					
	GENERAL SERVICES										
005	Plant Operations and Maintenance	378									
010	Housekeeping	67	67								
060	Laundry and Linen	540	540	540							
065	Dietary	2,043	2,043	2,043							
155	Social Services	18	18	18							
160	Activities	351	351	351							
165	Administration	267	267	267							
166	Medical Records	35	35	35							
170	Inservice Education - Nursing	54	54	54							
	ANCILLARY SERVICES										
075	Patient Supplies	63	63	63	32,060					193,658	193,658
077	Specialized Support Surfaces									0	0
080	Physical Therapy	378	378	378						225,822	225,822
081	Respiratory Therapy									0	0
082	Occupational Therapy	0	0	0						156,696	156,696
083	Speech Pathology	0	0	0						12,995	12,995
085	Pharmacy									0	0
090	Laboratory									332	332
095	Home Health Services									0	0
100	Other Ancillary Services									1,815	1,815
101	Subacute Ancillary Services									0	0
102	Subacute Pediatrics Ancillary Services									0	0
	ROUTINE SERVICES										
105	Skilled Nursing Care	7,724	7,724	7,724	32,060	53,372	2,013,960	2,013,960	2,013,960	3,494,210	3,494,210
110	Intermediate Care						0	0	0	0	0
115	Mentally Disordered Care						0	0	0	0	0
120	Developmentally Disabled Care						0	0	0	0	0
125	Subacute Care						0	0	0	0	0
126	Subacute Care - Pediatrics						0	0	0	0	0
128	Transitional Inpatient Care						0	0	0	0	0
130	Hospice Inpatient Care						0	0	0	0	0
135	Other Routine Services						0	0	0	0	0
	NONREIMBURSABLE										
139	Residential Care									0	0
140	Beauty and Barber	90	90	90						6,760	6,760
145	Other Nonreimbursable									0	0
	TOTAL STATISTICS	12,008	11,630	11,563	64,120	53,372	2,013,960	2,013,960	2,013,960	4,092,288	4,092,288
	TOTAL DIRECT SALARIES COSTS - SCH. 2 UNIT COST MULTIPLIER (DIRECT SALARIES)						\$ 97,968 0.048644462	\$ 33,887 0.016826054			
	TOTAL INDIRECT SALARIES COSTS - SCH. 3 UNIT COST MULTIPLIER (INDIRECT SALARIES)		\$ 74,142 6.37506449	\$ 111,573 9.64915068	\$ 32,713 0.51018522	\$ 287,775 5.39188098	\$ 288 0.00014322	\$ 5,624 0.00279276	\$ 14,420 0.00716018	\$ 4,278 0.00104550	\$ 50,193 0.01226523
	TOTAL INDIRECT OTHER COSTS - SCH. 4 UNIT COST MULTIPLIER (INDIRECT OTHER)		\$ 286,950 24.67325881	\$ 35,024 3.02898109	\$ 21,745 0.33913303	\$ 305,250 5.71928495	\$ 22,591 0.01121703	\$ 15,723 0.00780725	\$ 3,496 0.00173584	\$ 7,396 0.00180742	\$ 1,970 0.00048129
	TOTAL CAPITAL COSTS - SCH. 5 UNIT COST MULTIPLIER (CAPITAL COSTS)	\$ 362,869 30.21893738	\$ 11,423 0.98218042	\$ 2,090 0.18079001	\$ 16,946 0.26428931	\$ 64,113 1.20125230	\$ 565 0.00028048	\$ 11,015 0.00546935	\$ 1,695 0.00084144	\$ 8,379 0.00204750	\$ 1,098 0.00026840

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS ADJUSTED 8A-1	AUDIT ADJUSTMENTS 8A-2	AS AUDITED	
005		Plant Operations and Maintenance					
005	.01-.19	Salaries and Wages	6200	\$ 64,541	\$ 0	\$ 64,541	(Sch 3)
005	.20-.39	Fringe Benefits	6200	13,862	(4,261)	9,601	(Sch 3)
005	.79	Agency Staff	6200	0	0	0	(Sch 3)
005	.40-.99	Other - Nonlabor	6200	241,950	45,000	286,950	(Sch 4)
005		Plant Operations and Maintenance - Total	6200	\$ 320,353	\$ 40,739	\$ 361,092	
010		Housekeeping					
010	.01-.19	Salaries and Wages	6300	\$ 98,398	\$ 0	\$ 98,398	(Sch 3)
010	.20-.39	Fringe Benefits	6300	21,569	(8,821)	12,748	(Sch 3)
010	.79	Agency Staff	6300	0	0	0	(Sch 3)
010	.40-.99	Other - Nonlabor	6300	23,371	10,000	33,371	(Sch 4)
010		Housekeeping - Total	6300	\$ 143,338	\$ 1,179	\$ 144,517	
015		Depreciation: Buildings and Improvements	7110 - 7120	\$ 18,853	0	\$ 18,853	(Sch 5)
020		Depreciation: Leasehold Improvements	7130	0	0	0	(Sch 5)
025		Depreciation: Equipment	7140	0	0	0	(Sch 5)
030		Depreciation and Amortization - Other	7150 - 7160	0	0	0	(Sch 5)
035		Leases and Rentals	7200	337,417	0	337,417	(Sch 5)
040		Property Taxes	7300	6,599	0	6,599	(Sch 5)
045		Property Insurance	7400	5,732	(4,828)	904	(Sch 6)
050		Interest-Property, Plant, and Equipment	7500	0	0	0	(Sch 5)
055		Interest-Other	7600	9,566	(9,566)	0	(Sch 6)
057		Subtotal 005 - 055		\$ 841,858	\$ 27,524	\$ 869,382	
060		Laundry and Linen					
060	.01-.19	Salaries and Wages	6400	\$ 0	\$ 0	\$ 0	(Sch 3)
060	.20-.39	Fringe Benefits	6400	0	0	0	(Sch 3)
060	.79	Agency Staff	6400	0	24,060	24,060	(Sch 3)
060	.40-.99	Other - Nonlabor	6400	40,631	(33,845)	6,786	(Sch 4)
060		Laundry and Linen - Total	6400	\$ 40,631	\$ (9,785)	\$ 30,846	
065		Dietary					
065	.01-.19	Salaries and Wages	6500	\$ 225,786	\$ 0	\$ 225,786	(Sch 3)
065	.20-.39	Fringe Benefits	6500	53,044	(23,792)	29,252	(Sch 3)
065	.79	Agency Staff	6500	0	0	0	(Sch 3)
065	.40-.99	Other - Nonlabor	6500	222,281	26,373	248,654	(Sch 4)
065		Dietary - Total	6500	\$ 501,111	\$ 2,581	\$ 503,692	
070		Provision for Bad Debts	7700	\$ 0	0	\$ 0	
		Ancillary Services (Note 1)					
075		Patient Supplies					
075	.01-.19	Salaries and Wages	8100	\$ 0	\$ 0	\$ 0	(Sch 2)
075	.20-.39	Fringe Benefits	8100	0	0	0	(Sch 2)
075	.79	Agency Staff	8100	0	0	0	(Sch 2)
075	.40-.99	Other - Nonlabor	8100	155,404	(2,180)	153,224	(Sch 2)
075		Patient Supplies - Total	8100	\$ 155,404	\$ (2,180)	\$ 153,224	(Sch 2)
077		Specialized Support Surfaces					
077	.01-.19	Salaries and Wages	8150	\$ 0	\$ 0	\$ 0	N/A
077	.20-.39	Fringe Benefits	8150	0	0	0	N/A
077	.79	Agency Staff	8150	0	0	0	N/A
077	.40-.99	Other - Nonlabor	8150	0	0	0	(Sch 4)
077		Specialized Support Surfaces - Total	8150	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS ADJUSTED 8A-1	AUDIT ADJUSTMENTS 8A-2	AS AUDITED	
080		Physical Therapy					
080	.01-.19	Salaries and Wages	8200	\$ 0	\$ 0	\$ 0	(Sch 2)
080	.20-.39	Fringe Benefits	8200	0	0	0	(Sch 2)
080	.79	Agency Staff	8200	0	0	0	(Sch 2)
080	.40-.99	Other - Nonlabor	8200	197,431	0	197,431	
080		Physical Therapy - Total	8200	\$ 197,431	\$ 0	\$ 197,431	(Sch 2)
081		Respiratory Therapy					
081	.01-.19	Salaries and Wages	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
081	.20-.39	Fringe Benefits	8220	0	0	0	(Sch 2)
081	.79	Agency Staff	8220	0	0	0	(Sch 2)
081	.40-.99	Other - Nonlabor	8220	0	0	0	
081		Respiratory Therapy - Total	8220	\$ 0	\$ 0	\$ 0	(Sch 2)
082		Occupational Therapy					
082	.01-.19	Salaries and Wages	8250	0	0	0	(Sch 2)
082	.20-.39	Fringe Benefits	8250	0	0	0	(Sch 2)
082	.79	Agency Staff	8250	0	0	0	(Sch 2)
082	.40-.99	Other - Nonlabor	8250	156,696	0	156,696	
082		Occupational Therapy - Total	8250	\$ 156,696	\$ 0	\$ 156,696	(Sch 2)
083		Speech Pathology					
083	.01-.19	Salaries and Wages	8280	\$ 0	\$ 0	\$ 0	(Sch 2)
083	.20-.39	Fringe Benefits	8280	0	0	0	(Sch 2)
083	.79	Agency Staff	8280	0	0	0	(Sch 2)
083	.40-.99	Other - Nonlabor	8280	12,629	366	12,995	
083		Speech Pathology - Total	8280	\$ 12,629	\$ 366	\$ 12,995	(Sch 2)
085		Pharmacy					
085	.01-.19	Salaries and Wages	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
085	.20-.39	Fringe Benefits	8300	0	0	0	(Sch 2)
085	.79	Agency Staff	8300	0	0	0	(Sch 2)
085	.40-.99	Other - Nonlabor	8300	0	0	0	
085		Pharmacy - Total	8300	\$ 0	\$ 0	\$ 0	(Sch 2)
090		Laboratory					
090	.01-.19	Salaries and Wages	8400	\$ 0	\$ 0	\$ 0	(Sch 2)
090	.20-.39	Fringe Benefits	8400	0	0	0	(Sch 2)
090	.79	Agency Staff	8400	0	0	0	(Sch 2)
090	.40-.99	Other - Nonlabor	8400	300	32	332	
090		Laboratory - Total	8400	\$ 300	\$ 32	\$ 332	(Sch 2)
095		Home Health Services					
095	.01-.19	Salaries and Wages	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
095	.20-.39	Fringe Benefits	8800	0	0	0	(Sch 2)
095	.79	Agency Staff	8800	0	0	0	(Sch 2)
095	.40-.99	Other - Nonlabor	8800	0	0	0	
095		Home Health Services - Total	8800	\$ 0	\$ 0	\$ 0	(Sch 2)
100		Other Ancillary Services					
100	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
100	.20-.39	Fringe Benefits	8900	0	0	0	(Sch 2)
100	.79	Agency Staff	8900	0	0	0	(Sch 2)
100	.40-.99	Other - Nonlabor	8900	507	1,308	1,815	
100		Other Ancillary Services - Total	8900	\$ 507	\$ 1,308	\$ 1,815	(Sch 2)

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS ADJUSTED 8A-1	AUDIT ADJUSTMENTS 8A-2	AS AUDITED	
101		Subacute Ancillary Services					
101	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
101	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
101	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
101	.40-.99	Other - Nonlabor	8100-8900	0	0	0	
101		Subacute Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
102		Subacute Pediatrics Ancillary Services					
102	.01-.19	Salaries and Wages	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
102	.20-.39	Fringe Benefits	8100-8900	0	0	0	(Sch 2)
102	.79	Agency Staff	8100-8900	0	0	0	(Sch 2)
102	.40-.99	Other - Nonlabor	8100-8900	0	0	0	
102		Subacute Pediatrics Ancillary Services - Total	8100-8900	\$ 0	\$ 0	\$ 0	(Sch 2)
104		Subtotal 075 - 102		\$ 522,967	\$ (474)	\$ 522,493	
		Routine Services					
105		Skilled Nursing Care					
105	.01-.19	Salaries and Wages	6110	\$ 1,581,380	\$ (12,000)	\$ 1,569,380	(Sch 2)
105	.20-.39	Fringe Benefits	6110	340,687	(137,365)	203,322	(Sch 2)
105	.49	Agency Staff	6110	0	0	0	(Sch 2)
105	.40-.99	Other - Nonlabor	6110	142,571	98,687	241,258	(Sch 4)
105		Skilled Nursing Care - Total	6110	\$ 2,064,638	\$ (50,678)	\$ 2,013,960	
110		Intermediate Care					
110	.01-.19	Salaries and Wages	6120	\$ 0	\$ 0	\$ 0	
110	.20-.39	Fringe Benefits	6120	0	0	0	
110	.49	Agency Staff	6120	0	0	0	
110	.40-.99	Other - Nonlabor	6120	0	0	0	
110		Intermediate Care - Total	6120	\$ 0	\$ 0	\$ 0	(Sch 2)
115		Mentally Disordered Care					
115	.01-.19	Salaries and Wages	6130	\$ 0	\$ 0	\$ 0	
115	.20-.39	Fringe Benefits	6130	0	0	0	
115	.49	Agency Staff	6130	0	0	0	
115	.40-.99	Other - Nonlabor	6130	0	0	0	
115		Mentally Disordered Care- Total	6130	\$ 0	\$ 0	\$ 0	(Sch 2)
120		Developmentally Disabled Care					
120	.01-.19	Salaries and Wages	6140	\$ 0	\$ 0	\$ 0	
120	.20-.39	Fringe Benefits	6140	0	0	0	
120	.49	Agency Staff	6140	0	0	0	
120	.40-.99	Other - Nonlabor	6140	0	0	0	
120		Developmentally Disabled Care- Total	6140	\$ 0	\$ 0	\$ 0	(Sch 2)
125		Subacute Care					
125	.01-.19	Salaries and Wages	6150	\$ 0	\$ 0	\$ 0	(Sch 2)
125	.20-.39	Fringe Benefits	6150	0	0	0	(Sch 2)
125	.49	Agency Staff	6150	0	0	0	(Sch 2)
125	.40-.99	Other - Nonlabor	6150	0	0	0	(Sch 4)
125		Subacute Care - Total	6150	\$ 0	\$ 0	\$ 0	
126		Subacute Care - Pediatrics					
126	.01-.19	Salaries and Wages	6160	\$ 0	\$ 0	\$ 0	(Sch 2)
126	.20-.39	Fringe Benefits	6160	0	0	0	(Sch 2)
126	.49	Agency Staff	6160	0	0	0	(Sch 2)
126	.40-.99	Other - Nonlabor	6160	0	0	0	
126		Subacute Care - Pediatrics - Total	6160	\$ 0	\$ 0	\$ 0	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS ADJUSTED 8A-1	AUDIT ADJUSTMENTS 8A-2	AS AUDITED	
128		Transitional Inpatient Care					
128	.01-.19	Salaries and Wages	6170	\$ 0	\$ 0	\$ 0	
128	.20-.39	Fringe Benefits	6170	0	0	0	
128	.49	Agency Staff	6170	0	0	0	
128	.40-.99	Other - Nonlabor	6170	0	0	0	
128		Transitional Inpatient Care - Total	6170	\$ 0	\$ 0	\$ 0	(Sch 2)
130		Hospice Inpatient Care					
130	.01-.19	Salaries and Wages	6180	\$ 0	\$ 0	\$ 0	
130	.20-.39	Fringe Benefits	6180	0	0	0	
130	.49	Agency Staff	6180	0	0	0	
130	.40-.99	Other - Nonlabor	6180	0	0	0	
130		Hospice Inpatient Care - Total	6180	\$ 0	\$ 0	\$ 0	(Sch 2)
135		Other Routine Services					
135	.01-.19	Salaries and Wages	6190	\$ 0	\$ 0	\$ 0	
135	.20-.39	Fringe Benefits	6190	0	0	0	
135	.49	Agency Staff	6190	0	0	0	
135	.40-.99	Other - Nonlabor	6190	0	0	0	
135		Other Routine Services - Total	6190	\$ 0	\$ 0	\$ 0	(Sch 2)
		Other Nonreimbursable					
139		Residential Care					
139	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0	
139	.20-.39	Fringe Benefits	9100	0	0	0	
139	.49	Agency Staff	9100	0	0	0	
139	.40-.99	Other - Nonlabor	9100	0	0	0	
139		Residential Care - Total	9100	\$ 0	\$ 0	\$ 0	(Sch 2)
140		Beauty and Barber					
140	.01-.19	Salaries and Wages	8900	\$ 0	\$ 0	\$ 0	
140	.20-.39	Fringe Benefits	8900	0	0	0	
140	.49	Agency Staff	8900	0	0	0	
140	.40-.99	Other - Nonlabor	8900	0	0	0	
140		Beauty and Barber - Total	8900	\$ 0	\$ 0	\$ 0	(Sch 2)
145		Other Nonreimbursable					
145	.01-.19	Salaries and Wages	9100	\$ 0	\$ 0	\$ 0	
145	.20-.39	Fringe Benefits	9100	0	0	0	
145	.49	Agency Staff	9100	0	0	0	
145	.40-.99	Other - Nonlabor	9100	0	0	0	
145		Other Nonreimbursable - Total	9100	\$ 0	\$ 0	\$ 0	(Sch 2)
146		Subtotal 105 - 145		\$ 2,064,638	\$ (50,678)	\$ 2,013,960	
155		Social Services					
155	.01-.19	Salaries and Wages	6600	\$ 86,700	\$ 0	\$ 86,700	(Sch 2)
155	.20-.39	Fringe Benefits	6600	18,695	(7,427)	11,268	(Sch 2)
155	.49	Agency Staff	6600	0	0	0	(Sch 2)
155	.40-.99	Other - Nonlabor	6600	12,092	10,000	22,092	(Sch 4)
155		Social Services - Total	6600	\$ 117,487	\$ 2,573	\$ 120,060	

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	Natural Class	ACCOUNT TITLE	ACCOUNT NUMBER	AS ADJUSTED 8A-1	AUDIT ADJUSTMENTS 8A-2	AS AUDITED	
160		Activities					
160	.01-.19	Salaries and Wages	6700	\$ 30,000	\$ 0	\$ 30,000	(Sch 2)
160	.20-.39	Fringe Benefits	6700	5,000	(1,113)	3,887	(Sch 2)
160	.49	Agency Staff	6700	0	0	0	(Sch 2)
160	.40-.99	Other - Nonlabor	6700	6,000	0	6,000	(Sch 4)
160		Activities - Total	6700	\$ 41,000	\$ (1,113)	\$ 39,887	
165		Administration					
165	.01-.19	Salaries and Wages	6900	\$ 87,827	\$ 12,050	\$ 99,877	(Sch 6)
165	.20-.39	Fringe Benefits	6900	18,152	(5,213)	12,939	(Sch 6)
165	.49	Agency Staff	6900	0	0	0	(Sch 6)
165	.40-.99	Other - Nonlabor	6900	571,573	26,059	597,632	(Sch 6)
165		Administration - Total	6900	\$ 677,552	\$ 32,896	\$ 710,448	
166		Medical Records					
166	.01-.19	Medical Records - Salaries and Wages	6900	\$ 43,939	\$ 0	\$ 43,939	(Sch 3)
166	.20-.39	Medical Records - Fringe Benefits	6900	9,315	(3,622)	5,693	(Sch 3)
166	.49	Medical Records - Agency Staff	6900	0	0	0	(Sch 3)
166	.40-.99	Medical Records - Other - Nonlabor	6900	1,000	0	1,000	(Sch 4)
166		Medical Records - Total	6900	\$ 54,254	\$ (3,622)	\$ 50,632	
167		DPH Licensing Fees	6900	\$ 37,773	\$ (20,840)	\$ 16,933	(Sch 6)
168		Liability Insurance	6900	\$ 71,681	\$ (35,540)	\$ 36,141	(Sch 6)
169		Quality Assurance Fees	6900	\$ 167,903	\$ 0	\$ 167,903	(Sch 6)
170		Inservice Education - Nursing					
170	.01-.19	Salaries and Wages	6800	\$ 12,000	\$ 0	\$ 12,000	(Sch 3)
170	.20-.39	Fringe Benefits	6800	2,000	(445)	1,555	(Sch 3)
170	.49	Agency Staff	6800	0	0	0	(Sch 3)
170	.40-.99	Other - Nonlabor	6800	2,000	0	2,000	(Sch 4)
170		Inservice Education - Nursing - Total	6800	\$ 16,000	\$ (445)	\$ 15,555	
174		Caregiver Training					
174	.01-.19	Salaries and Wages	6900	\$ 0	\$ 0	\$ 0	(Sch 6)
174	.20-.39	Fringe Benefits	6900	0	0	0	(Sch 6)
174	.49	Agency Staff	6900	0	0	0	(Sch 6)
174	.40-.99	Other - Nonlabor	6900	0	0	0	(Sch 6)
174		Caregiver Training - Total	6900	\$ 0	\$ 0	\$ 0	
		Subtotal 155 - 174		\$ 1,183,650	\$ (26,091)	\$ 1,157,559	
200		Total		\$ 5,154,855	\$ (56,923)	\$ 5,097,932	

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

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
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NPI:
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OSHPD Facility Number:
206440914

Line No.	Sub No.	ACCOUNT TITLE	ADJ NO.	AS REPORTED	MEMO ADJUSTMENT	AS ADJUSTED
005		Plant Operations and Maintenance				
005	1	Salaries and Wages		\$ 64,541	\$ 0	\$ 64,541
005	2	Fringe Benefits		13,862	0	13,862
005	3	Agency Staff		0		0
005	4	Other - Nonlabor		241,950	0	241,950
005	5	Plant Operations and Maintenance - Total		\$ 320,353	\$ 0	\$ 320,353
010		Housekeeping				
010	1	Salaries and Wages		\$ 98,398	\$ 0	\$ 98,398
010	2	Fringe Benefits		21,569	0	21,569
010	3	Agency Staff		0		0
010	4	Other - Nonlabor		23,371	0	23,371
010	5	Housekeeping - Total		\$ 143,338	\$ 0	\$ 143,338
015	4	Depreciation: Buildings and Improvements		\$ 18,853	\$ 0	\$ 18,853
020	4	Depreciation: Leasehold Improvements		0		0
025	4	Depreciation: Equipment		0		0
030	4	Depreciation and Amortization - Other		0		0
035	4	Leases and Rentals		337,417	0	337,417
040	4	Property Taxes		6,599	0	6,599
045	4	Property Insurance		5,732	0	5,732
050	4	Interest-Property, Plant, and Equipment		0		0
055	4	Interest-Other		9,566	0	9,566
		Subtotal 005 - 055		841,858	0	841,858
060		Laundry and Linen				
060	1	Salaries and Wages		\$ 0	\$ 0	\$ 0
060	2	Fringe Benefits		0		0
060	3	Agency Staff		0		0
060	4	Other - Nonlabor		40,631	0	40,631
060	5	Laundry and Linen - Total		\$ 40,631	\$ 0	\$ 40,631
065		Dietary				
065	1	Salaries and Wages		\$ 225,786	\$ 0	\$ 225,786
065	2	Fringe Benefits		53,044	0	53,044
065	3	Agency Staff		0		0
065	4	Other - Nonlabor		222,281	0	222,281
065	5	Dietary - Total		\$ 501,111	\$ 0	\$ 501,111
070	4	Provision for Bad Debts		\$ 0	\$ 0	\$ 0
		Ancillary Services (Note 1)				
075		Patient Supplies				
075	1	Salaries and Wages		\$ 0	\$ 0	\$ 0
075	2	Fringe Benefits		0		0
075	3	Agency Staff		0		0
075	4	Other - Nonlabor		155,404	0	155,404
075	5	Patient Supplies - Total		\$ 155,404	\$ 0	\$ 155,404
077		Specialized Support Surfaces				
077	1	Salaries and Wages		\$ 0	\$ 0	\$ 0
077	2	Fringe Benefits		0		0
077	3	Agency Staff		0		0
077	4	Other - Nonlabor		0		0
077	5	Specialized Support Surfaces - Total		\$ 0	\$ 0	\$ 0

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
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NPI:
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OSHPD Facility Number:
206440914

Line No.	Sub No.	ACCOUNT TITLE	ADJ NO.	AS REPORTED	MEMO ADJUSTMENT	AS ADJUSTED
080		Physical Therapy				
080	1	Salaries and Wages		\$ 0	\$	\$ 0
080	2	Fringe Benefits		0		0
080	3	Agency Staff		0		0
080	4	Other - Nonlabor		197,431	0	197,431
080	5	Physical Therapy - Total		\$ 197,431	\$ 0	\$ 197,431
081		Respiratory Therapy				
081	1	Salaries and Wages		\$ 0	\$	\$ 0
081	2	Fringe Benefits		0		0
081	3	Agency Staff		0		0
081	4	Other - Nonlabor		0		0
081	5	Respiratory Therapy - Total		\$ 0	\$ 0	\$ 0
082		Occupational Therapy				
082	1	Salaries and Wages		\$ 0	\$	\$ 0
082	2	Fringe Benefits		0		0
082	3	Agency Staff		0		0
082	4	Other - Nonlabor		156,696	0	156,696
082	5	Occupational Therapy - Total		\$ 156,696	\$ 0	\$ 156,696
083		Speech Pathology				
083	1	Salaries and Wages		\$ 0	\$	\$ 0
083	2	Fringe Benefits		0		0
083	3	Agency Staff		0		0
083	4	Other - Nonlabor		12,629	0	12,629
083	5	Speech Pathology - Total		\$ 12,629	\$ 0	\$ 12,629
085		Pharmacy				
085	1	Salaries and Wages		\$ 0	\$	\$ 0
085	2	Fringe Benefits		0		0
085	3	Agency Staff		0		0
085	4	Other - Nonlabor		0		0
085	5	Pharmacy - Total		\$ 0	\$ 0	\$ 0
090		Laboratory				
090	1	Salaries and Wages		\$ 0	\$	\$ 0
090	2	Fringe Benefits		0		0
090	3	Agency Staff		0		0
090	4	Other - Nonlabor		300	0	300
090	5	Laboratory - Total		\$ 300	\$ 0	\$ 300
095		Home Health Services				
095	1	Salaries and Wages		\$ 0	\$	\$ 0
095	2	Fringe Benefits		0		0
095	3	Agency Staff		0		0
095	4	Other - Nonlabor		0		0
095	5	Home Health Services - Total		\$ 0	\$ 0	\$ 0
100		Other Ancillary Services				
100	1	Salaries and Wages		\$ 0	\$	\$ 0
100	2	Fringe Benefits		0		0
100	3	Agency Staff		0		0
100	4	Other - Nonlabor		507	0	507
100	5	Other Ancillary Services - Total		\$ 507	\$ 0	\$ 507

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

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Line No.	Sub No.	ACCOUNT TITLE	ADJ NO.	AS REPORTED	MEMO ADJUSTMENT	AS ADJUSTED
101		Subacute Ancillary Services				
101	1	Salaries and Wages		\$ 0	\$	\$ 0
101	2	Fringe Benefits		0		0
101	3	Agency Staff		0		0
101	4	Other - Nonlabor		0		0
101	5	Subacute Ancillary Services - Total		\$ 0	\$ 0	\$ 0
102		Subacute Pediatrics Ancillary Services				
102	1	Salaries and Wages		\$ 0	\$	\$ 0
102	2	Fringe Benefits		0		0
102	3	Agency Staff		0		0
102	4	Other - Nonlabor		0		0
102	5	Subacute Pediatrics Ancillary Services - Total		\$ 0	\$ 0	\$ 0
104		Subtotal 075 - 102		\$ 522,967	\$ 0	\$ 522,967
		Routine Services				
105		Skilled Nursing Care				
105	1	Salaries and Wages		\$ 1,581,380	\$ 0	\$ 1,581,380
105	2	Fringe Benefits		340,687	0	340,687
105	3	Agency Staff		0		0
105	4	Other - Nonlabor		142,571	0	142,571
105	5	Skilled Nursing Care - Total		\$ 2,064,638	\$ 0	\$ 2,064,638
110		Intermediate Care				
110	1	Salaries and Wages		\$ 0	\$	\$ 0
110	2	Fringe Benefits		0		0
110	3	Agency Staff		0		0
110	4	Other - Nonlabor		0		0
110	5	Intermediate Care - Total		\$ 0	\$ 0	\$ 0
115		Mentally Disordered				
115	1	Salaries and Wages		\$ 0	\$	\$ 0
115	2	Fringe Benefits		0		0
115	3	Agency Staff		0		0
115	4	Other - Nonlabor		0		0
115	5	Mentally Disordered - Total		\$ 0	\$ 0	\$ 0
120		Developmentally Disabled				
120	1	Salaries and Wages		\$ 0	\$	\$ 0
120	2	Fringe Benefits		0		0
120	3	Agency Staff		0		0
120	4	Other - Nonlabor		0		0
120	5	Developmentally Disabled - Total		\$ 0	\$ 0	\$ 0
125		Subacute Care				
125	1	Salaries and Wages		\$ 0	\$	\$ 0
125	2	Fringe Benefits		0		0
125	3	Agency Staff		0		0
125	4	Other - Nonlabor		0		0
125	5	Subacute Care - Total		\$ 0	\$ 0	\$ 0
126		Subacute Care - Pediatrics				
126	1	Salaries and Wages		\$ 0	\$	\$ 0
126	2	Fringe Benefits		0		0
126	3	Agency Staff		0		0
126	4	Other - Nonlabor		0		0
126	5	Subacute Care - Pediatrics - Total		\$ 0	\$ 0	\$ 0

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
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OSHPD Facility Number:
206440914

Line No.	Sub No.	ACCOUNT TITLE	ADJ NO.	AS REPORTED	MEMO ADJUSTMENT	AS ADJUSTED
128		Transitional Inpatient Care				
128	1	Salaries and Wages		\$ 0	\$	\$ 0
128	2	Fringe Benefits		0		0
128	3	Agency Staff		0		0
128	4	Other - Nonlabor		0		0
128	5	Transitional Inpatient Care - Total		\$ 0	\$ 0	\$ 0
130		Hospice Inpatient Care				
130	1	Salaries and Wages		\$ 0	\$	\$ 0
130	2	Fringe Benefits		0		0
130	3	Agency Staff		0		0
130	4	Other - Nonlabor		0		0
130	5	Hospice Inpatient Care - Total		\$ 0	\$ 0	\$ 0
135		Other Routine Services				
135	1	Salaries and Wages		\$ 0	\$	\$ 0
135	2	Fringe Benefits		0		0
135	3	Agency Staff		0		0
135	4	Other - Nonlabor		0		0
135	5	Other Routine Services - Total		\$ 0	\$ 0	\$ 0
		Other Nonreimbursable				
139		Residential Care **				
139	1	Salaries and Wages		\$ 0	\$	\$ 0
139	2	Fringe Benefits		0		0
139	3	Agency Staff		0		0
139	4	Other - Nonlabor		0		0
139	5	Residential Care - Total		\$ 0	\$ 0	\$ 0
140		Beauty and Barber				
140	1	Salaries and Wages		\$ 0	\$	\$ 0
140	2	Fringe Benefits		0		0
140	3	Agency Staff		0		0
140	4	Other - Nonlabor		0		0
140	5	Beauty and Barber - Total		\$ 0	\$ 0	\$ 0
145		Other Nonreimbursable				
145	1	Salaries and Wages		\$ 0	\$	\$ 0
145	2	Fringe Benefits		0		0
145	3	Agency Staff		0		0
145	4	Other - Nonlabor		0		0
145	5	Other Nonreimbursable - Total		\$ 0	\$ 0	\$ 0
146		Subtotal 105 - 145		\$ 2,064,638	\$ 0	\$ 2,064,638
155		Social Services				
155	1	Salaries and Wages		\$ 86,700	\$ 0	\$ 86,700
155	2	Fringe Benefits		18,695	0	18,695
155	3	Agency Staff		0		0
155	4	Other - Nonlabor		12,092	0	12,092
155	5	Social Services - Total		\$ 117,487	\$ 0	\$ 117,487
160		Activities				
160	1	Salaries and Wages		\$ 30,000	\$ 0	\$ 30,000
160	2	Fringe Benefits		5,000	0	5,000
160	3	Agency Staff		0		0
160	4	Other - Nonlabor		6,000	0	6,000
160	5	Activities - Total		\$ 41,000	\$ 0	\$ 41,000

SUMMARY OF AUDITED PROGRAM EXPENSES

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Line No.	Sub No.	ACCOUNT TITLE	ADJ NO.	AS REPORTED	MEMO ADJUSTMENT	AS ADJUSTED
165		Administration				
165	1	Salaries and Wages		\$ 87,827	\$ 0	\$ 87,827
165	2	Fringe Benefits		18,152	0	18,152
165	3	Agency Staff		0		0
165	4	Other - Nonlabor		571,573	0	571,573
165	5	Administration - Total		\$ 677,552	\$ 0	\$ 677,552
166		Medical Records				
166	1	Medical Records - Salaries and Wages		\$ 43,939	\$ 0	\$ 43,939
166	2	Medical Records - Fringe Benefits		9,315	0	9,315
166	3	Medical Records - Agency Staff		0		0
166	4	Medical Records - Other - Nonlabor		1,000	0	1,000
166	5	Medical Records - Total		\$ 54,254	\$ 0	\$ 54,254
167	4	DPH Licensing Fees ***		\$ 37,773	\$ 0	\$ 37,773
168	4	Liability Insurance ***		\$ 71,681	\$ 0	\$ 71,681
169	4	Quality Assurance Fees ***		\$ 167,903	\$ 0	\$ 167,903
170		Inservice Education - Nursing				
170	1	Salaries and Wages		\$ 12,000	\$ 0	\$ 12,000
170	2	Fringe Benefits		2,000	0	2,000
170	3	Agency Staff		0		0
170	4	Other - Nonlabor		2,000	0	2,000
170	5	Inservice Education - Nursing - Total		\$ 16,000	\$ 0	\$ 16,000
174		Caregiver Training ***				
174	1	Salaries and Wages		\$ 0	\$ 0	\$ 0
174	2	Fringe Benefits		0		0
174	3	Agency Staff		0		0
174	4	Other - Nonlabor		0		0
174	5	Caregiver Training - Total		\$ 0	\$ 0	\$ 0
		Subtotal 155 - 174		\$ 1,183,650	\$ 0	\$ 1,183,650
200		Total		\$ 5,154,855	\$ -	\$ 5,154,855

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

* Amounts reclassified from ancillary service type accounts (lines 75 through 100)

** Complete with Direct Residential Care Costs

*** Amounts reclassified from Administration (line 165)

**** Totals in column 5 must match page 10.1, column 14, for each respective cost center (except reclasses)

Provider Name:
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OSHPD Facility Number:
206440914
Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9	AUDIT ADJ 10
005	1	Plant Operations and Maintenance - Salaries and Wages	0							
005	2	Plant Operations and Maintenance - Fringe Benefits	(4,261)	8,362		(12,623)				
005	3	Plant Operations and Maintenance - Agency Staff	0							
005	4	Plant Operations and Maintenance - Other - Nonlabor	45,000			45,000				
010	1	Housekeeping - Salaries and Wages	0							
010	2	Housekeeping - Fringe Benefits	(8,821)	12,748		(21,569)				
010	3	Housekeeping - Agency Staff	0							
010	4	Housekeeping - Other - Nonlabor	10,000			10,000				
015	4	Depreciation: Buildings and Improvements	0							
020	4	Depreciation: Leasehold Improvements	0							
025	4	Depreciation: Equipment	0							
030	4	Depreciation and Amortization - Other	0							
035	4	Leases and Rentals	0							
040	4	Property Taxes	0							
045	4	Property Insurance	(4,828)			(3,453)				(1,375)
050	4	Interest-Property, Plant, and Equipment	0							
055	4	Interest-Other	(9,566)			(2,279)	(7,287)			
060	1	Laundry and Linen - Salaries and Wages	0							
060	2	Laundry and Linen - Fringe Benefits	0							
060	3	Laundry and Linen - Agency Staff	24,060							
060	4	Laundry and Linen - Other - Nonlabor	(33,845)							
065	1	Dietary - Salaries and Wages	0							
065	2	Dietary - Fringe Benefits	(23,792)	29,252		(53,044)				
065	3	Dietary - Agency Staff	0							
065	4	Dietary - Other - Nonlabor	26,373			26,373				
070	4	Provision for Bad Debts	0							
075	1	Patient Supplies - Salaries and Wages	0							
075	2	Patient Supplies - Fringe Benefits	0							
075	3	Patient Supplies - Agency Staff	0							
075	4	Patient Supplies - Other - Nonlabor	(2,180)			(2,180)				
077	1	Specialized Support Surfaces - Salaries and Wages	0							
077	2	Specialized Support Surfaces - Fringe Benefits	0							
077	3	Specialized Support Surfaces - Agency Staff	0							
077	4	Specialized Support Surfaces - Other - Nonlabor	0							
080	1	Physical Therapy - Salaries and Wages	0							
080	2	Physical Therapy - Fringe Benefits	0							
080	3	Physical Therapy - Agency Staff	0							
080	4	Physical Therapy - Other - Nonlabor	0							
081	1	Respiratory Therapy - Salaries and Wages	0							
081	2	Respiratory Therapy - Fringe Benefits	0							
081	3	Respiratory Therapy - Agency Staff	0							
081	4	Respiratory Therapy - Other - Nonlabor	0							
082	1	Occupational Therapy - Salaries and Wages	0							
082	2	Occupational Therapy - Fringe Benefits	0							
082	3	Occupational Therapy - Agency Staff	0							
082	4	Occupational Therapy - Other - Nonlabor	0							
083	1	Speech Pathology - Salaries and Wages	0							
083	2	Speech Pathology - Fringe Benefits	0							
083	3	Speech Pathology - Agency Staff	0							

Provider Name:
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Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9	AUDIT ADJ 10
083	4	Speech Pathology - Other - Nonlabor	366			366				
085	1	Pharmacy - Salaries and Wages	0							
085	2	Pharmacy - Fringe Benefits	0							
085	3	Pharmacy - Agency Staff	0							
085	4	Pharmacy - Other - Nonlabor	0							
090	1	Laboratory - Salaries and Wages	0							
090	2	Laboratory - Fringe Benefits	0							
090	3	Laboratory - Agency Staff	0							
090	4	Laboratory - Other - Nonlabor	32			32				
095	1	Home Health Services - Salaries and Wages	0							
095	2	Home Health Services - Fringe Benefits	0							
095	3	Home Health Services - Agency Staff	0							
095	4	Home Health Services - Other - Nonlabor	0							
100	1	Other Ancillary Services - Salaries and Wages	0							
100	2	Other Ancillary Services - Fringe Benefits	0							
100	3	Other Ancillary Services - Agency Staff	0							
100	4	Other Ancillary Services - Other - Nonlabor	1,308			1,308				
101	1	Subacute Ancillary Services - Salaries and Wages	0							
101	2	Subacute Ancillary Services - Fringe Benefits	0							
101	3	Subacute Ancillary Services - Agency Staff	0							
101	4	Subacute Ancillary Services - Other - Nonlabor	0							
102	1	Subacute Pediatrics Ancillary Services - Salaries and Wages	0							
102	2	Subacute Pediatrics Ancillary - Services Fringe Benefits	0							
102	3	Subacute Pediatrics Ancillary - Services Agency Staff	0							
102	4	Subacute Pediatrics Ancillary Services - Other - Nonlabor	0							
105	1	Skilled Nursing Care - Salaries and Wages	(12,000)			(12,000)				
105	2	Skilled Nursing Care - Fringe Benefits	(137,365)	203,322		(340,687)				
105	3	Skilled Nursing Care - Agency Staff	0							
105	4	Skilled Nursing Care - Other - Nonlabor	98,687			98,687				
110	1	Intermediate Care - Salaries and Wages	0							
110	2	Intermediate Care - Fringe Benefits	0							
110	3	Intermediate Care Agency Staff	0							
110	4	Intermediate Care - Other - Nonlabor	0							
115	1	Mentally Disordered - Salaries and Wages	0							
115	2	Mentally Disordered - Fringe Benefits	0							
115	3	Mentally Disordered - Agency Staff	0							
115	4	Mentally Disordered - Other - Nonlabor	0							
120	1	Developmentally Disabled - Salaries and Wages	0							
120	2	Developmentally Disabled - Fringe Benefits	0							
120	3	Developmentally Disabled - Agency Staff	0							
120	4	Developmentally Disabled - Other - Nonlabor	0							
125	1	Subacute Care - Salaries and Wages	0							
125	2	Subacute Care - Fringe Benefits	0							
125	3	Subacute Care - Agency Staff	0							
125	4	Subacute Care - Other - Nonlabor	0							
126	1	Subacute Care - Pediatrics - Salaries and Wages	0							
126	2	Subacute Care - Pediatrics - Fringe Benefits	0							
126	3	Subacute Care - Pediatrics - Agency Staff	0							
126	4	Subacute Care - Pediatrics - Other - Nonlabor	0							

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914
Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	Sub No.		TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9	AUDIT ADJ 10
128	1	Transitional Inpatient Care Salaries and Wages	0							
128	2	Transitional Inpatient Care Fringe Benefits	0							
128	3	Transitional Inpatient Care Agency Staff	0							
128	4	Transitional Inpatient Care - Other - Nonlabor	0							
130	1	Hospice Inpatient Care - Salaries and Wages	0							
130	2	Hospice Inpatient Care - Fringe Benefits	0							
130	3	Hospice Inpatient Care -Agency Staff	0							
130	4	Hospice Inpatient Care - Other - Nonlabor	0							
135	1	Other Routine Services - Salaries and Wages	0							
135	2	Other Routine Services - Fringe Benefits	0							
135	3	Other Routine Services - Agency Staff	0							
135	4	Other Routine Services - Other - Nonlabor	0							
139	1	Residential Care - Salaries and Wages	0							
139	2	Residential Care - Fringe Benefits	0							
139	3	Residential Care - Agency Staff	0							
139	4	Residential Care - Other - Nonlabor	0							
140	1	Beauty and Barber Salaries and Wages	0							
140	2	Beauty and Barber Fringe Benefits	0							
140	3	Beauty and Barber Agency Staff	0							
140	4	Beauty and Barber - Other - Nonlabor	0							
145	1	Other Nonreimbursable - Salaries and Wages	0							
145	2	Other Nonreimbursable - Fringe Benefits	0							
145	3	Other Nonreimbursable - Agency Staff	0							
145	4	Other Nonreimbursable - Other - Nonlabor	0							
155	1	Social Services - Salaries and Wages	0							
155	2	Social Services - Fringe Benefits	(7,427)	11,232		(18,659)				
155	3	Social Services - Agency Staff	0							
155	4	Social Services - Other - Nonlabor	10,000			10,000				
160	1	Activities - Salaries and Wages	0							
160	2	Activities - Fringe Benefits	(1,113)	3,887		(5,000)				
160	3	Activities - Agency Staff	0							
160	4	Activities - Other - Nonlabor	0							
165	1	Administration - Salaries and Wages	12,050			12,050				
165	2	Administration - Fringe Benefits	(5,213)	(276,051)		270,838				
165	3	Administration - Agency Staff	0							
165	4	Administration - Other - Nonlabor	26,059		20,840	8,159		(2,249)	(691)	
166	1	Medical Records - Salaries and Wages	0							
166	2	Medical Records - Fringe Benefits	(3,622)	5,693		(9,315)				
166	3	Medical Records - Agency Staff	0							
166	4	Medical Records - Other - Nonlabor	0							
167	4	DPH Licensing Fees	(20,840)		(20,840)					
168	4	Liability Insurance	(35,540)							(35,540)
169	4	Quality Assurance Fees	0							
170	1	Inservice Education - Nursing - Salaries and Wages	0							
170	2	Inservice Education - Nursing - Fringe Benefits	(445)	1,555		(2,000)				
170	3	Inservice Education - Nursing - Medical Records - Salaries and Wages	0							
170	4	Inservice Education - Nursing - Medical Records - Fringe Benefits	0							
174	1	Caregiver Training - Salaries and Wages	0							
174	2	Caregiver Training - Fringe Benefits	0							

Provider Name:
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Provider Number:
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OSHPD Facility Number: 206440914
Fiscal Period: JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	Sub No.	Description	TOTAL ADJ (Pages 1 & 2)	AUDIT ADJ 4	AUDIT ADJ 5	AUDIT ADJ 6	AUDIT ADJ 7	AUDIT ADJ 8	AUDIT ADJ 9	AUDIT ADJ 10
174	3	Caregiver Training - Agency Staff	0							
174	4	Caregiver Training - Other - Nonlabor	0							
180	4	Professional Liability - Deductible	0							
			0							
			0							
			0							
			0							
			0							
			0							
			0							
200		Total	<u>(\$56,923)</u> (To Sch 8)	<u>0</u>	<u>0</u>	<u>4</u>	<u>(7,287)</u>	<u>(2,249)</u>	<u>(691)</u>	<u>(36,915)</u>

Provider Name:
VALLEY CONVALESCENT HOSPITAL

Provider Number:
ZZR06178G

NPI:
1346241460

OSHPD Facility Number:
206440914

Fiscal Period:
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009

Line No.	Sub No.	Description	AUDIT ADJ 11	AUDIT ADJ						
174	3	Caregiver Training - Agency Staff								
174	4	Caregiver Training - Other - Nonlabor								
180	4	Professional Liability - Deductible								
200		Total	(9,785)	0	0	0	0	0	0	0

Provider Name							Fiscal Period		Provider Number		Adjustments
VALLEY CONVALESCENT HOSPITAL							JANUARY 1, 2009 THROUGH DECEMBER 31, 2009		ZZR06178G		13
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
MEMORANDUM ADJUSTMENTS											
1	10.7	075	1,2,3	7	075	N/A	Patient Supplies (Square Feet)	0	205	205 *	
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	0	340	340 *	
	10.7	082	1,2,3	7	082	N/A	Occupational Therapy	0	15	15 *	
	10.7	083	1,2,3	7	083	N/A	Speech Pathology	0	15	15 *	
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	0	4,539	4,539 *	
	10.7	175	1,2,3	7	175	N/A	Total Statistics - Square Feet	0	5,114	5,114 *	
2	10.7	075	4	7	075	N/A	Patient Supplies (Pounds of Laundry)	0	32,060	32,060	
	10.7	105	4	7	105	N/A	Skilled Nursing Care	0	32,060	32,060	
	10.7	175	4	7	175	N/A	Total Statistics - Pounds of Laundry	0	64,120	64,120	
3	10.7	105	5	7	105	N/A	Skilled Nursing Care (Number of Patient Meals)	0	53,372	53,372	
	10.7	175	5	7	175	N/A	Total Statistics - Number of Patient Meals	0	53,372	53,372	
							To reconcile provider's reported statistics on page 10.7 to provider's reported statistics on page 11(1). CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period	Provider Number	Adjustments		
VALLEY CONVALESCENT HOSPITAL							JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	ZZR06178G	13		
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
RECLASSIFICATIONS OF REPORTED COSTS											
4	10.5	005	2	8A-2	005	2	Plant Operations and Maintenance - Fringe Benefits	\$13,862	\$8,362	\$22,224 *	
	10.5	010	2	8A-2	010	2	Housekeeping - Fringe Benefits	21,569	12,748	34,317 *	
	10.5	065	2	8A-2	065	2	Dietary - Fringe Benefits	53,044	29,252	82,296 *	
	10.5	105	2	8A-2	105	2	Skilled Nursing Care - Fringe Benefits	340,687	203,322	544,009 *	
	10.5	155	2	8A-2	155	2	Social Services - Fringe Benefits	18,695	11,232	29,927 *	
	10.5	160	2	8A-2	160	2	Activities - Fringe Benefits	5,000	3,887	8,887 *	
	10.5	165	2	8A-2	165	2	Administration - Fringe Benefits	18,152	(276,051)	(257,899) *	
	10.5	166	2	8A-2	166	2	Medical Records - Fringe Benefits	9,315	5,693	15,008 *	
	10.5	170	2	8A-2	170	2	Inservice Education - Nursing - Fringe Benefits	2,000	1,555	3,555 *	
							To reclassify employee benefits for proper allocation of costs. CMS Pub. 15-1, Sections 2300, 2302.4, and 2304				
5	10.5	165	4	8A-2	165	4	Administration - Other - Nonlabor	\$571,573	\$20,840	\$592,413 *	
	10.5	167	4	8A-2	167	4	Administration - DPH Licensing Fees	37,773	(20,840)	16,933	
							To revise reported licensing fee expense to agree with facility license renewal statement. CMS Pub. 15-1, Sections 2300 and 2304				

Provider Name							Fiscal Period	Provider Number		Adjustments	
VALLEY CONVALESCENT HOSPITAL							JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	ZZR06178G		13	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
<u>ADJUSTMENTS TO REPORTED COSTS</u>											
6	10.5	005	2	8A-2	005	2	Plant Operations and Maintenance - Fringe Benefits	*	\$22,224	(\$12,623)	\$9,601
	10.5	005	4	8A-2	005	4	Plant Operations and Maintenance - Other - Nonlabor		241,950	45,000	286,950
	10.5	010	2	8A-2	010	2	Housekeeping - Fringe Benefits	*	34,317	(21,569)	12,748
	10.5	010	4	8A-2	010	4	Housekeeping - Other - Nonlabor		23,371	10,000	33,371
	10.5	045	4	8A-2	045	4	Property Insurance		5,732	(3,453)	2,279 *
	10.5	055	4	8A-2	055	4	Interest - Other		9,566	(2,279)	7,287 *
	10.5	065	2	8A-2	065	2	Dietary - Fringe Benefits	*	82,296	(53,044)	29,252
	10.5	065	4	8A-2	065	4	Dietary - Other - Nonlabor		222,281	26,373	248,654
	10.5	075	4	8A-2	075	4	Patient Supplies - Other - Nonlabor		155,404	(2,180)	153,224
	10.5	083	4	8A-2	083	4	Speech Pathology - Other - Nonlabor		12,629	366	12,995
	10.5	090	4	8A-2	090	4	Laboratory - Other - Nonlabor		300	32	332
	10.5	100	4	8A-2	100	4	Other Ancillary Services - Other - Nonlabor		507	1,308	1,815
	10.5	105	1	8A-2	105	1	Skilled Nursing Care - Salaries and Wages		1,581,380	(12,000)	1,569,380
	10.5	105	2	8A-2	105	2	Skilled Nursing Care - Fringe Benefits	*	544,009	(340,687)	203,322
	10.5	105	4	8A-2	105	4	Skilled Nursing Care - Other - Nonlabor		142,571	98,687	241,258
	10.5	155	2	8A-2	155	2	Social Services - Fringe Benefits	*	29,927	(18,659)	11,268
	10.5	155	4	8A-2	155	4	Social Services - Other - Nonlabor		12,092	10,000	22,092
	10.5	160	2	8A-2	160	2	Activities - Fringe Benefits	*	8,887	(5,000)	3,887
	10.5	165	1	8A-2	165	1	Administration - Salaries and Wages		87,827	12,050	99,877
	10.5	165	2	8A-2	165	2	Administration - Fringe Benefits	*	(257,899)	270,838	12,939
	10.5	165	4	8A-2	165	4	Administration - Other - Nonlabor	*	592,413	8,159	600,572 *
	10.5	166	2	8A-2	166	2	Medical Records - Fringe Benefits	*	15,008	(9,315)	5,693
	10.5	170	2	8A-2	170	2	Inservice Education - Nursing - Fringe Benefits	*	3,555	(2,000)	1,555
							To adjust reported expenses to agree with the provider's Profit and Loss. CMS Pub. 15-1, Sections 2300 and 2304				
7	10.5	055	4	8A-2	055	4	Interest - Other	*	\$7,287	(\$7,287)	\$0
							To abate investment income against interest expense. CMS Pub. 15-1, Section 202.2C				
8	10.5	165	4	8A-2	165	4	Administration - Other - Nonlabor	*	\$600,572	(\$2,249)	\$598,323 *
							To eliminate donation and non-health expenses which are not related to patient care. CMS Pub. 15-1, Section 2103.2				

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider Number		Adjustments	
VALLEY CONVALESCENT HOSPITAL							JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	ZZR06178G		13	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
ADJUSTMENTS TO REPORTED COSTS											
9	10.5	165	4	8A-2	165	4	Administration - Other - Nonlabor To eliminate legal and/or consulting fees in connection with a fair hearing or other litigation against or involving any governmental agency or department. CMS Pub. 15-1, Sections 2300 and 2304	*	\$598,323	(\$691)	\$597,632
10	10.5	045	4	8A-2	045	4	Property Insurance	*	\$2,279	(\$1,375)	\$904
	10.5	168	4	8A-2	168	4	Administration - Liability Insurance To adjust professional liability and property insurance expenses based upon insufficient supporting documentation. CMS Pub. 15-1, Sections 2300 and 2304		71,681	(35,540)	36,141
11	10.5	060	3	8A-2	060	3	Laundry and Linen - Agency Staff		\$0	\$24,060	\$24,060
	10.5	060	4	8A-2	060	4	Laundry and Linen - Other - Nonlabor To revise the reported expenses to agree with supporting documentation and to report labor costs for proper cost determination. CMS Pub. 15-1, Sections 2300 and 2304 W&I Code, Section 14126.023 CCR, Title 22, Section 52500(c)		40,631	(33,845)	6,786

*Balance carried forward from prior/to subsequent adjustments

Provider Name							Fiscal Period	Provider Number		Adjustments	
VALLEY CONVALESCENT HOSPITAL							JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	ZZR06178G		13	
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted	
Adj. No.	Cost Report			Audit Report							
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.					
ADJUSTMENT TO REPORTED STATISTICS											
12	10.7	005	1	7	005	N/A	Plant Operations and Maintenance (Square Feet)	0	378	378	
	10.7	010	1,2	7	010	N/A	Housekeeping	0	67	67	
	10.7	060	1,2,3	7	060	N/A	Laundry and Linen	0	540	540	
	10.7	065	1,2,3	7	065	N/A	Dietary	0	2,043	2,043	
	10.7	075	1,2,3	7	075	N/A	Patient Supplies	*	205	(142)	63
	10.7	080	1,2,3	7	080	N/A	Physical Therapy	*	340	38	378
	10.7	082	1,2,3	7	082	N/A	Occupational Therapy	*	15	(15)	0
	10.7	083	1,2,3	7	083	N/A	Speech Pathology	*	15	(15)	0
	10.7	105	1,2,3	7	105	N/A	Skilled Nursing Care	*	4,539	3,185	7,724
	10.7	140	1,2,3	7	140	N/A	Beauty and Barber		0	90	90
	10.7	155	1,2,3	7	155	N/A	Social Services		0	18	18
	10.7	160	1,2,3	7	160	N/A	Activities		0	351	351
	10.7	165	1,2,3	7	165	N/A	Administration		0	267	267
	10.7	166	1,2,3	7	166	N/A	Medical Records		0	35	35
	10.7	170	1,2,3	7	170	N/A	Inservice Education - Nursing		0	54	54
	10.7	175	1	7	175	N/A	Total Statistics - Square Feet - Capital	*	5,114	6,894	12,008
	10.7	175	2	7	175	N/A	Total Statistics - Square Feet - Plant Operations and Maintenance	*	5,114	6,516	11,630
	10.7	175	3	7	175	N/A	Total Statistics - Square Feet - Housekeeping	*	5,114	6,449	11,563
To adjust square feet statistics to agree with the provider's records. CMS Pub. 15-1, Sections 2304 and 2306											

Provider Name							Fiscal Period	Provider Number		Adjustments
VALLEY CONVALESCENT HOSPITAL							JANUARY 1, 2009 THROUGH DECEMBER 31, 2009	ZZR06178G		13
Report References							Explanation of Audit Adjustments	As Reported	Increase (Decrease)	As Adjusted
Cost Report			Audit Report							
Adj. No.	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Sub No.				
<u>ADJUSTMENT TO REPORTED PATIENT DAYS</u>										
13	11(2)	105	1	1	12	Total Patient Days	19,319	157	19,476	
To adjust total patient days to agree with the provider's monthly census reports.										
CMS Pub. 15-1, Sections 2205 and 2304										