

**REPORT  
ON THE  
COST REPORT REVIEW**

**TORRANCE MEMORIAL MEDICAL CENTER  
TORRANCE, CALIFORNIA  
PROVIDER NUMBERS: HSC 30351F AND  
LTC 55599F  
NATIONAL PROVIDER IDENTIFIER: 1467459776  
FISCAL PERIOD ENDED  
DECEMBER 31, 2008**

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

**Section Chief: Cheryl Phillips  
Audit Supervisor: Cheryl Phillips  
Auditor: Deborah Lee**



DAVID MAXWELL-JOLLY  
*Director*

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



ARNOLD SCHWARZENEGGER  
*Governor*

April 29, 2010

Bill Larson, Controller  
Torrance Memorial Medical Center  
3330 Lomita Boulevard  
Torrance, CA 90505

PROVIDER: TORRANCE MEMORIAL MEDICAL CENTER  
PROVIDER NO: HSC 30351F  
NATIONAL PROVIDER IDENTIFIER NO: 1467459776  
FISCAL PERIOD ENDED: DECEMBER 31, 2008

We have examined the provider's 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 Summary of Findings represents a proper determination of the allowable costs for the above fiscal period in accordance with Medi-Cal reimbursement principles.

This audit report includes the:

1. Summary of Findings
2. Computation of Audited Medi Cal Contract Cost (CONTRACT Schedules)
3. Computation of Distinct Part Nursing Facility Per Diem (DPNF Schedules)
4. Audit Adjustments Schedule

The audited settlement will be incorporated into a Statement of Account Status, which may reflect tentative retroactive adjustment determinations, payments from the provider, and other financial transactions initiated by the Department. The Statement of Account Status will be forwarded to the provider by the State's fiscal intermediary. Instructions regarding payment will be included with the Statement of Account Status.

Future Distinct Part Nursing Facility prospective rates may be affected by this examination. The extent of the rate changes will be determined by the Department's Rate Development Branch.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

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

Chief  
Office of Administrative Appeals and Hearings  
1029 J Street, Suite 200  
Sacramento, CA 95814  
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

**United States Postal Service (USPS)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
PO Box 997413  
Sacramento, CA 95899-7413

**Courier (UPS, FedEx, etc.)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
1501 Capitol Avenue, Suite 71.5001  
Sacramento, CA 95814-5005  
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and California Code of Regulations, Title 22, Section 51016, et seq.

Bill Larson  
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If you have questions regarding this report, you may call the Audits Section—Gardena at (310) 516-4757.

Signed By:

Cheryl Phillips, Chief  
Audits Section—Gardena  
Financial Audits Branch

Certified

**SUMMARY OF FINDINGS**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

		SETTLEMENT	COST
<b>1. Medi-Cal Noncontract Settlement (SCHEDULE 1)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>2. Subprovider I (SCHEDULE 1-1)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>3. Subprovider II (SCHEDULE 1-2)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
	Audited Amount Due Provider (State)	\$ 0	
<b>4. Medi-Cal Contract Cost (CONTRACT SCH 1)</b>	<b>Provider No. HSC30351F</b>		
	Reported		\$ 14,340,240
	Net Change		\$ 1,245,319
	Audited Cost		\$ 15,585,559
	Audited Amount Due Provider (State)	\$ 0	
<b>5. Distinct Part Nursing Facility (DPNF SCH 1)</b>	<b>Provider No. LTC 55599F</b>		
	Reported		\$ 692.01
	Net Change		\$ 50.32
	Audited Cost Per Day		\$ 742.33
	Audited Amount Due Provider (State)	\$ 0	
<b>6. Distinct Part Nursing Facility (DPNF SCH 1-1)</b>	<b>Provider No.</b>		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>7. Adult Subacute (ADULT SUBACUTE SCH 1)</b>	<b>Provider No.</b>		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>8. Total Medi-Cal Settlement Due Provider (State) - (Lines 1 through 7)</b>		\$ 0	
<b>9. Total Medi-Cal Cost</b>			\$ 15,585,559

**SUMMARY OF FINDINGS**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

		SETTLEMENT	COST
<b>10. Subacute (SUBACUTE SCH 1-1)</b>	<b>Provider No.</b>		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>11. Rural Health Clinic (RHC SCH 1)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0		
<b>12. Rural Health Clinic (RHC 95-210 SCH 1)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0		
<b>13. Rural Health Clinic (RHC 95-210 SCH 1-1)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0		
<b>14. County Medical Services Program (CMSP SCH 1)</b>	<b>Provider No.</b>		
	Reported	\$ 0	
	Net Change	\$ 0	
Audited Amount Due Provider (State)	\$ 0		
<b>15. Transitional Care (TC SCH 1)</b>	<b>Provider No.</b>		
	Reported		\$ 0.00
	Net Change		\$ 0.00
	Audited Cost Per Day		\$ 0.00
	Audited Amount Due Provider (State)	\$ 0	
<b>16. Total Other Settlement Due Provider - (Lines 10 through 15)</b>		\$ 0	
<b>17. Total Combined Audited Settlement Due Provider (State/CMSP/RHC) - (Line 8 + Line 16)</b>		\$ 0	

## COMPUTATION OF MEDI-CAL CONTRACT COST

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

Provider No:  
HSC30351F

	REPORTED	AUDITED
1. Net Cost of Covered Services Rendered to Medi-Cal Patients (Contract Sch 3)	\$ 14,340,240	\$ 15,585,559
2. Excess Reasonable Cost Over Charges (Contract Sch 2)	\$ 0	\$ 0
3. Medi-Cal Inpatient Hospital Based Physician Services	\$ 0	N/A
4.	\$ 0	\$ 0
5. Subtotal (Sum of Lines 1 through 4)	\$ 14,340,240	\$ 15,585,559
6.	\$ 0	\$ 0
7.	\$ 0	\$ 0
8. Total Medi-Cal Cost (Sum of Lines 5 through 7)	\$ 14,340,240	\$ 15,585,559
	(To Summary of Findings)	
9. Medi-Cal Overpayments (Adj )	\$ 0	\$ 0
10. Medi-Cal Credit Balances (Adj )	\$ 0	\$ 0
11.	\$ 0	\$ 0
12.	\$ 0	\$ 0
13. TOTAL MEDI-CAL SETTLEMENT Due Provider (State)	\$ 0	\$ 0
	(To Summary of Findings)	

**COMPUTATION OF LESSER OF  
MEDI-CAL REASONABLE COST OR CUSTOMARY CHARGES**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**HSC30351F**

<b>REPORTED</b>
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<b>AUDITED</b>
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**REASONABLE COST OF MEDI-CAL INPATIENT SERVICES**

1. Cost of Covered Services (Contract Sch 3)	\$ <u>14,564,046</u>	\$ <u>15,868,642</u>
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**CHARGES FOR MEDI-CAL INPATIENT SERVICES**

2. Inpatient Routine Service Charges (Adj 3)	\$ <u>21,093,379</u>	\$ <u>23,006,805</u>
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3. Inpatient Ancillary Service Charges (Adj 3)	\$ <u>38,821,559</u>	\$ <u>43,394,234</u>
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4. Total Charges - Medi-Cal Inpatient Services	\$ <u>59,914,938</u>	\$ <u>66,401,039</u>
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5. Excess of Customary Charges Over Reasonable Cost (Line 4 minus Line 1) *	\$ <u>45,350,892</u>	\$ <u>50,532,397</u>
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6. Excess of Reasonable Cost Over Customary Charges (Line 1 minus Line 4)	\$ <u>0</u>	\$ <u>0</u>
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(To Contract Sch 1)

\* If charges exceed reasonable cost, no further calculation necessary for this schedule.



**COMPUTATION OF  
MEDI-CAL NET COST OF COVERED SERVICES**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**HSC30351F**

	<b>REPORTED</b>	<b>AUDITED</b>
1. Medi-Cal Inpatient Ancillary Services (Contract Sch 5)	\$ <u>5,821,903</u>	\$ <u>6,352,373</u>
2. Medi-Cal Inpatient Routine Services (Contract Sch 4)	\$ <u>8,742,143</u>	\$ <u>9,516,269</u>
3. Medi-Cal Inpatient Hospital Based Physician for Intern and Resident Services (Sch )	\$ <u>0</u>	\$ <u>0</u>
4.	\$ <u>0</u>	\$ <u>0</u>
5.	\$ <u>0</u>	\$ <u>0</u>
6. SUBTOTAL (Sum of Lines 1 through 5)	\$ <u>14,564,046</u>	\$ <u>15,868,642</u>
7. Medi-Cal Inpatient Hospital Based Physician for Acute Care Services (Contract Sch 7)	( See \$ <u>Contract Sch 1)</u>	\$ <u>0</u>
8. SUBTOTAL	\$ <u>14,564,046</u>	\$ <u>15,868,642</u>
	(To Contract Sch 2)	
9. Coinsurance (Adj 4)	\$ <u>(8,876)</u>	\$ <u>(20,655)</u>
10. Patient and Third Party Liability (Adj 4)	\$ <u>(214,930)</u>	\$ <u>(262,428)</u>
11. Net Cost of Covered Services Rendered to Medi-Cal Inpatients	\$ <u>14,340,240</u>	\$ <u>15,585,559</u>
	(To Contract Sch 1)	

**COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**HSC30351F**

**GENERAL SERVICE UNIT NET OF SWING-BEDS COSTS**

	<b>REPORTED</b>	<b>AUDITED</b>
<b>INPATIENT DAYS</b>		
1. Total Inpatient Days (include private & swing-bed) (Adj )	75,636	75,636
2. Inpatient Days (include private, exclude swing-bed)	75,636	75,636
3. Private Room Days (exclude swing-bed private room) (Adj )	0	0
4. Semi-Private Room Days (exclude swing-bed) (Adj )	75,636	75,636
5. Medicare NF Swing-Bed Days through Dec 31 (Adj )	0	0
6. Medicare NF Swing-Bed Days after Dec 31 (Adj )	0	0
7. Medi-Cal NF Swing-Bed Days through July 31 (Adj )	0	0
8. Medi-Cal NF Swing-Bed Days after July 31 (Adj )	0	0
9. Medi-Cal Days (excluding swing-bed) (Adj 1)	4,623	5,082

**SWING-BED ADJUSTMENT**

17. Medicare NF Swing-Bed Rates through Dec 31 (Adj )	\$ 0.00	\$ 0.00
18. Medicare NF Swing-Bed Rates after Dec 31(Adj )	\$ 0.00	\$ 0.00
19. Medi-Cal NF Swing-Bed Rates through July 31(Adj )	\$ 0.00	\$ 0.00
20. Medi-Cal NF Swing-Bed Rates after July 31(Adj )	\$ 0.00	\$ 0.00
21. Total Routine Serv Cost (Sch 8, Part I, Line 25, Col 27)	\$ 75,155,767	\$ 75,155,767
22. Medicare NF Swing-Bed Cost through Dec 31 (L 5 x L 17)	\$ 0	\$ 0
23. Medicare NF Swing-Bed Cost after Dec 31 (L 6 x L 18)	\$ 0	\$ 0
24. Medi-Cal NF Swing-Bed Cost through July 31 (L 7 x L 19)	\$ 0	\$ 0
25. Medi-Cal NF Swing-Bed Cost after July 31 (L 8 x L 20)	\$ 0	\$ 0
26. Total Swing-Bed Cost (Sum of Lines 22 to 25)	\$ 0	\$ 0
27. Inpatient Routine Cost Net of Swing-Bed (L 21 minus L 26)	\$ 75,155,767	\$ 75,155,767

**PRIVATE ROOM DIFFERENTIAL ADJUSTMENT**

28. Gen Inpatient Routine Serv Charges (excl swing-bed charges)(Adj )	\$ 198,722,097	\$ 198,722,097
29. Private Room Charges (excluding swing-bed charges)(Adj )	\$ 0	\$ 0
30. Semi-Private Room Charges (excluding swing-bed charges)(Adj )	\$ 198,722,097	\$ 198,722,097
31. Gen Inpatient Routine Service Cost/Charge Ratio (L 27 / L 28)	\$ 0.378195	\$ 0.378195
32. Average Private Room Per Diem Charge (L 29 / L 3)	\$ 0.00	\$ 0.00
33. Average Semi-Private Room Per Diem Charge (L 30 / L 4)	\$ 2,627.35	\$ 2,627.35
34. Avg Per Diem Prvt Room Charge Differential (L 32 minus L 33)	\$ 0.00	\$ 0.00
35. Average Per Diem Private Room Cost Differential (L 31 x L 34)	\$ 0.00	\$ 0.00
36. Private Room Cost Differential Adjustment (L 35 x L 3)	\$ 0	\$ 0
37. Inpatient Rout Cost Net of Swing-Bed & Prvt Rm (L 27 minus L 36)	\$ 75,155,767	\$ 75,155,767

**PROGRAM INPATIENT OPERATING COST**

38. Adjusted General Inpatient Routine Cost Per Diem (L 37 / L 2)	\$ 993.65	\$ 993.65
39. Program General Inpatient Routine Service Cost (L 9 x L 38)	\$ 4,593,644	\$ 5,049,729
40. Cost Applicable to Medi-Cal (Contract Sch 4A)	\$ 4,148,499	\$ 4,466,540
41. Cost Applicable to Medi-Cal (Contract Sch 4B)	\$ 0	\$ 0
42. TOTAL MEDI-CAL ROUTINE COST (Sum of Lines 39, 40 & 41)	\$ 8,742,143	\$ 9,516,269

(To Contract Sch 3)

**COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**HSC30351F**

<b>SPECIAL CARE AND/OR NURSERY UNITS</b>	<b>REPORTED</b>	<b>AUDITED</b>
<b>NURSERY</b>		
1. Total Inpatient Routine Cost (Sch 8, Line 33, Col 27)	\$ 4,705,883	\$ 4,705,880
2. Total Inpatient Days (Adj )	8,869	8,869
3. Average Per Diem Cost	\$ 530.60	\$ 530.60
4. Medi-Cal Inpatient Days (Adj 1)	1,265	1,335
5. Cost Applicable to Medi-Cal	\$ 671,209	\$ 708,351
<b>INTENSIVE CARE UNIT</b>		
6. Total Inpatient Routine Cost (Sch 8, Line 26, Col 27)	\$ 16,024,149	\$ 16,024,147
7. Total Inpatient Days (Adj )	9,016	9,016
8. Average Per Diem Cost	\$ 1,777.30	\$ 1,777.30
9. Medi-Cal Inpatient Days (Adj 1)	632	695
10. Cost Applicable to Medi-Cal	\$ 1,123,254	\$ 1,235,224
<b>CORONARY CARE UNIT</b>		
11. Total Inpatient Routine Cost (Sch 8, Line 27, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj )	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj )	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>NEONATAL INTENSIVE CARE UNIT</b>		
16. Total Inpatient Routine Cost (Sch 8, Line 28, Col 27)	\$ 7,430,795	\$ 7,430,793
17. Total Inpatient Days (Adj )	5,307	5,307
18. Average Per Diem Cost	\$ 1,400.19	\$ 1,400.19
19. Medi-Cal Inpatient Days (Adj 1)	937	993
20. Cost Applicable to Medi-Cal	\$ 1,311,978	\$ 1,390,389
<b>SURGICAL INTENSIVE CARE UNIT</b>		
21. Total Inpatient Routine Cost (Sch 8, Line 29, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj )	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj )	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
<b>BURN INTENSIVE CARE UNIT</b>		
26. Total Inpatient Routine Cost (Sch 8, Line __ , Col 27)	\$ 4,744,452	\$ 4,744,451
27. Total Inpatient Days (Adj )	2,149	2,149
28. Average Per Diem Cost	\$ 2,207.75	\$ 2,207.75
29. Medi-Cal Inpatient Days (Adj 1)	472	513
30. Cost Applicable to Medi-Cal	\$ 1,042,058	\$ 1,132,576
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$ 4,148,499	\$ 4,466,540

(To Contract Sch 4)

**COMPUTATION OF  
MEDI-CAL INPATIENT ROUTINE SERVICE COST**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**HSC30351F**

<b>SPECIAL CARE UNITS</b>	<b>REPORTED</b>	<b>AUDITED</b>
1. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
2. Total Inpatient Days (Adj )	0	0
3. Average Per Diem Cost	\$ 0.00	\$ 0.00
4. Medi-Cal Inpatient Days (Adj )	0	0
5. Cost Applicable to Medi-Cal	\$ 0	\$ 0
6. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
7. Total Inpatient Days (Adj )	0	0
8. Average Per Diem Cost	\$ 0.00	\$ 0.00
9. Medi-Cal Inpatient Days (Adj )	0	0
10. Cost Applicable to Medi-Cal	\$ 0	\$ 0
11. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
12. Total Inpatient Days (Adj )	0	0
13. Average Per Diem Cost	\$ 0.00	\$ 0.00
14. Medi-Cal Inpatient Days (Adj )	0	0
15. Cost Applicable to Medi-Cal	\$ 0	\$ 0
16. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
17. Total Inpatient Days (Adj )	0	0
18. Average Per Diem Cost	\$ 0.00	\$ 0.00
19. Medi-Cal Inpatient Days (Adj )	0	0
20. Cost Applicable to Medi-Cal	\$ 0	\$ 0
21. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
22. Total Inpatient Days (Adj )	0	0
23. Average Per Diem Cost	\$ 0.00	\$ 0.00
24. Medi-Cal Inpatient Days (Adj )	0	0
25. Cost Applicable to Medi-Cal	\$ 0	\$ 0
26. Total Inpatient Routine Cost (Sch 8, Line ____, Col 27)	\$ 0	\$ 0
27. Total Inpatient Days (Adj )	0	0
28. Average Per Diem Cost	\$ 0.00	\$ 0.00
29. Medi-Cal Inpatient Days (Adj )	0	0
30. Cost Applicable to Medi-Cal	\$ 0	\$ 0
31. Medi-Cal Routine Cost (Sum of Lines 5,10,15,20,25,30)	\$ 0	\$ 0

(To Contract Sch 4)







**COMPUTATION OF  
DISTINCT PART NURSING FACILITY PER DIEM**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**LTC 55599F**

	<b>REPORTED</b>	<b>AUDITED</b>	<b>DIFFERENCE</b>
<b>COMPUTATION OF DISTINCT PART (DP) NURSING FACILITY PER DIEM</b>			
1. Distinct Part Ancillary Cost (DPNF Sch 3)	\$ 0	\$ 626,652	\$ 626,652
2. Distinct Part Routine Cost (DPNF Sch 2)	\$ 8,616,888	\$ 8,616,887	\$ (1)
3. Total Distinct Part Facility Cost (Lines 1 & 2)	\$ 8,616,888	\$ 9,243,539	\$ 626,651
4. Total Distinct Part Patient Days (Adj )	12,452	12,452	0
5. Average DP Per Diem Cost (Line 3 / Line 4)	\$ 692.01	\$ 742.33	\$ 50.32
<b>DPNF OVERPAYMENT AND OVERBILLINGS</b>			
6. Medi-Cal Overpayments (Adj )	\$ 0	\$ 0	\$ 0
7. Medi-Cal Credit Balances (Adj )	\$ 0	\$ 0	\$ 0
8. MEDI-CAL SETTLEMENT Due Provider (State)	\$ 0	\$ 0	\$ 0
	(To Summary of Findings)		
<b>GENERAL INFORMATION</b>			
9. Total Available Distinct Part Beds (C/R, W/S S-3)	40	40	0
10. Total Licensed Capacity (All levels) (Adj 6)	352	401	49
11. Total Medi-Cal DP Patient Days (Adj )	0	0	0
<b>CAPITAL RELATED COST</b>			
12. Direct Capital Related Cost	N/A	\$ 0	N/A
13. Indirect Capital Related Cost (DPNF Sch 5)	N/A	\$ 1,122,370	N/A
14. Total Capital Related Cost (Lines 12 & 13)	N/A	\$ 1,122,370	N/A
<b>TOTAL SALARY &amp; BENEFITS</b>			
15. Direct Salary & Benefits Expenses	N/A	\$ 3,467,732	N/A
16. Allocated Salary & Benefits (DPNF Sch 5)	N/A	\$ 2,069,258	N/A
17. Total Salary & Benefits Expenses (Lines 15 & 16)	N/A	\$ 5,536,990	N/A



## SUMMARY OF DISTINCT PART FACILITY EXPENSES

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

Provider No:  
LTC 55599F

COL.	COST CENTER DIRECT AND ALLOCATED EXPENSE	REPORTED *	AUDITED *	DIFFERENCE
0.00	Distinct Part	\$ 4,236,777	\$ 4,236,777	\$ 0
1.00	Old Cap Rel Costs-Bldg & Fixtures	69,455	69,455	(0)
2.00	Old Cap Rel Costs-Movable Equipment		0	0
3.00	New Cap Rel Costs-Bldg & Fixtures	430,528	430,528	0
4.00	New Cap Rel Costs-Movable Equipment	383,940	383,940	0
4.01			0	0
4.02			0	0
4.03			0	0
4.04			0	0
4.05			0	0
4.06			0	0
4.07			0	0
4.08			0	0
5.00	Employee Benefits	530,071	530,070	(1)
6.01	Non-Patient Telephones		0	0
6.02	Data Processing		0	0
6.03	Purchasing/Receiving		0	0
6.04	Patient Admitting		0	0
6.05	Patient Business Office		0	0
6.06			0	0
6.07			0	0
6.08			0	0
6.00	Administrative and General	674,798	674,796	(2)
7.00	Maintenance and Repairs		0	0
8.00	Operation of Plant	781,614	781,614	0
9.00	Laundry and Linen Service	143,428	143,428	0
10.00	Housekeeping	199,341	199,341	0
11.00	Dietary	186,912	186,912	0
12.00	Cafeteria	215,134	215,134	0
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	546,419	546,419	0
15.00	Central Services & Supply	10,203	10,203	(0)
16.00	Pharmacy	1,263	1,263	(0)
17.00	Medical Records and Library	73,442	73,443	1
18.00	Social Service	133,563	133,563	(0)
19.00			0	0
19.02			0	0
19.03			0	0
20.00			0	0
21.00	Nursing School		0	0
22.00	Intern & Res Service-Salary & Fringes		0	0
23.00	Intern & Res Other Program		0	0
24.00	Paramedical Ed Program		0	0
101.00	TOTAL DIRECT AND ALLOCATED EXPENSES	\$ 8,616,888	\$ 8,616,887	\$ (1)

(To DPNF Sch 1)

\* From Schedule 8, Part I, line 34 plus line 35.





**ALLOCATION OF INDIRECT EXPENSES  
DISTINCT PART NURSING FACILITY**

**Provider Name:**  
**TORRANCE MEMORIAL MEDICAL CENTER**

**Fiscal Period Ended:**  
**DECEMBER 31, 2008**

**Provider No:**  
**LTC 55599F**

<b>COL.</b>	<b>COST CENTER</b>	<b>AUDITED CAP RELATED * (COL 1)</b>	<b>AUDITED SAL &amp; EMP BENEFITS * (COL 2)</b>
1.00	Old Cap Rel Costs-Bldg & Fixtures	\$ 69,455	\$ N/A
2.00	Old Cap Rel Costs-Movable Equipment	0	N/A
3.00	New Cap Rel Costs-Bldg & Fixtures	430,528	N/A
4.00	New Cap Rel Costs-Movable Equipment	383,940	N/A
4.01		0	N/A
4.02		0	N/A
4.03		0	N/A
4.04		0	N/A
4.05		0	N/A
4.06		0	N/A
4.07		0	N/A
4.08		0	N/A
5.00	Employee Benefits	6,761	523,310
6.01	Non-Patient Telephones	0	0
6.02	Data Processing	0	0
6.03	Purchasing/Receiving	0	0
6.04	Patient Admitting	0	0
6.05	Patient Business Office	0	0
6.06		0	0
6.07		0	0
6.08		0	0
6.00	Administrative and General	42,570	408,450
7.00	Maintenance and Repairs	0	0
8.00	Operation of Plant	87,975	218,666
9.00	Laundry and Linen Service	6,647	17,881
10.00	Housekeeping	2,843	124,483
11.00	Dietary	24,284	90,376
12.00	Cafeteria	33,782	109,721
13.00	Maintenance of Personnel	0	0
14.00	Nursing Administration	17,129	426,133
15.00	Central Services & Supply	1,847	5,104
16.00	Pharmacy	43	1,026
17.00	Medical Records and Library	5,803	41,453
18.00	Social Service	8,764	102,654
19.00		0	0
19.02		0	0
19.03		0	0
20.00		0	0
21.00	Nursing School	0	0
22.00	Intern & Res Service-Salary & Fringes	0	0
23.00	Intern & Res Other Program	0	0
24.00	Paramedical Ed Program	0	0
101	<b>TOTAL ALLOCATED INDIRECT EXPENSES</b>	<b>\$ 1,122,370</b>	<b>\$ 2,069,258</b>

\* These amounts include both Skilled Nursing Facility expenses, line 34 and Nursing Facility expenses, line 35.

(To DPNF SCH 1)







STATE OF CALIFORNIA

COMPUTATION OF COST ALLOCATION (W/S B)

SCHEDULE 8.1

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

TRIAL BALANCE EXPENSES	ALLOC COST 4.08	EMPLOYEE BENEFITS 5.00	ALLOC COST 6.01	ALLOC COST 6.02	ALLOC COST 6.03	ALLOC COST 6.04	ALLOC COST 6.05	ALLOC COST 6.06	ALLOC COST 6.07	ALLOC COST 6.08	ACCUMULATE COST	ADMINIS-TRATIVE & GENERAL 6.00
<b>ANCILLARY COST CENTERS</b>												
37.00 Operating Room	0	1,912,610	0	0	0	0	0	0	0	0	49,601,183	5,923,208
38.00 Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00 Delivery Room and Labor Room	0	758,731	0	0	0	0	0	0	0	0	7,810,915	932,753
40.00 Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00 Radiology - Diagnostic	0	1,864,003	0	0	0	0	0	0	0	0	26,383,226	3,150,597
42.00 Radiology - Therapeutic	0	175,899	0	0	0	0	0	0	0	0	2,424,034	289,470
43.00 Radioisotope	0	105,943	0	0	0	0	0	0	0	0	1,867,219	222,977
44.00 Laboratory	0	922,049	0	0	0	0	0	0	0	0	13,683,211	1,634,003
44.01 Pathological Lab	0	0	0	0	0	0	0	0	0	0	0	0
46.00 Whole Blood	0	168,015	0	0	0	0	0	0	0	0	6,196,152	739,924
47.00 Blood Storing and Processing	0	0	0	0	0	0	0	0	0	0	0	0
48.00 Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0	0
49.00 Respiratory Therapy	0	710,705	0	0	0	0	0	0	0	0	6,663,703	795,757
50.00 Physical Therapy	0	423,551	0	0	0	0	0	0	0	0	4,290,687	512,380
51.00 Occupational Therapy	0	124,873	0	0	0	0	0	0	0	0	1,100,936	131,470
52.00 Speech Pathology	0	66,059	0	0	0	0	0	0	0	0	582,607	69,573
53.00 Electrocardiology	0	415,692	0	0	0	0	0	0	0	0	16,581,897	1,980,155
54.00 Electroencephalography	0	47,859	0	0	0	0	0	0	0	0	490,481	58,572
55.00 Medical Supplies Charged to Patients	0	26,357	0	0	0	0	0	0	0	0	425,168	50,772
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	0	12,910,604	1,541,741
57.00 Renal Dialysis	0	105,184	0	0	0	0	0	0	0	0	1,090,605	130,236
58.00 ASC (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
59.00 Pulmonary Function	0	49,381	0	0	0	0	0	0	0	0	568,948	67,942
59.01 G.I. Lab	0	334,982	0	0	0	0	0	0	0	0	4,410,726	526,714
59.02 Cardiac Rehab	0	71,071	0	0	0	0	0	0	0	0	722,367	86,263
59.03 Ophthalmology	0	12,617	0	0	0	0	0	0	0	0	182,082	21,744
59.04 Substance Abuse	0	30,913	0	0	0	0	0	0	0	0	1,272,823	151,996
59.05 Diabetic Care	0	70,476	0	0	0	0	0	0	0	0	623,893	74,503
60.00 Clinic	0	0	0	0	0	0	0	0	0	0	0	0
60.01 Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0	0
61.00 Emergency	0	1,221,913	0	0	0	0	0	0	0	0	12,784,904	1,526,730
62.00 Observation Beds	0	0	0	0	0	0	0	0	0	0	0	0
71.00 Home Health	0	530,544	0	0	0	0	0	0	0	0	6,563,017	783,734
82.00	0	0	0	0	0	0	0	0	0	0	0	0
83.00	0	0	0	0	0	0	0	0	0	0	0	0
84.00	0	0	0	0	0	0	0	0	0	0	0	0
85.00	0	0	0	0	0	0	0	0	0	0	0	0
93.00 Hospice	0	154,119	0	0	0	0	0	0	0	0	1,692,021	202,055
<b>NONREIMBURSABLE COST CENTE</b>												
96.00 Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	0	0	91,405	10,915
96.01 Foundation	0	114,587	0	0	0	0	0	0	0	0	957,524	114,344
96.02 T.L.C.	0	14,723	0	0	0	0	0	0	0	0	119,765	14,302
96.03 Transportation	0	26,402	0	0	0	0	0	0	0	0	280,581	33,506
96.04 Public Relations	0	22,566	0	0	0	0	0	0	0	0	394,224	47,077
96.05 THA/POSS.	0	0	0	0	0	0	0	0	0	0	16,765,942	2,002,133
96.06 Physician Meals	0	3,447	0	0	0	0	0	0	0	0	121,023	14,452
96.07	0	0	0	0	0	0	0	0	0	0	0	0
99.05	0	0	0	0	0	0	0	0	0	0	0	0
100.00	0	0	0	0	0	0	0	0	0	0	0	0
100.01	0	0	0	0	0	0	0	0	0	0	0	0
100.02	0	0	0	0	0	0	0	0	0	0	0	0
100.03	0	0	0	0	0	0	0	0	0	0	0	0
100.04	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>25,224,001</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>378,114,288</b>	<b>40,336,317</b>





STATE OF CALIFORNIA

COMPUTATION OF COST ALLOCATION (W/S B)

SCHEDULE 8.2

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

	TRIAL BALANCE EXPENSES	MAINT & REPAIRS	OPER PLANT	LAUNDRY & LINEN	HOUSEKEEP	DIETARY	CAFE	MAINT OF PERSONNEL	NURSING ADMIN	CENTRAL SERVICE & SUPPLY	PHARMACY	MEDICAL RECORDS & LIBRARY	SOCIAL SERVICE
		7.00	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	17.00	18.00
<b>ANCILLARY COST CENTERS</b>													
37.00	Operating Room	0	2,097,014	161,868	534,818	0	637,056	0	1,256,302	2,189,711	203,205	1,094,980	0
38.00	Recovery Room	0	0	0	0	0	0	0	0	0	0	0	0
39.00	Delivery Room and Labor Room	0	589,627	90,285	150,377	0	234,172	0	526,302	64,135	9,621	135,703	0
40.00	Anesthesiology	0	0	0	0	0	0	0	0	0	0	0	0
41.00	Radiology - Diagnostic	0	2,557,503	78,372	652,260	0	801,994	0	373,859	249,396	165,508	1,697,696	0
42.00	Radiology - Therapeutic	0	542,577	20,131	138,378	0	59,139	0	32,861	2,897	1,675	110,644	0
43.00	Radioisotope	0	178,886	1,986	45,623	0	36,326	0	18,817	28,473	68,872	87,951	0
44.00	Laboratory	0	647,863	3,795	165,230	0	377,568	0	0	231,262	520	791,018	0
44.01	Pathological Lab	0	0	0	0	0	0	0	0	0	0	0	0
46.00	Whole Blood	0	197,645	98	50,407	0	49,163	0	32,160	23,123	1,392,895	71,288	0
47.00	Blood Storing and Processing	0	0	0	0	0	0	0	0	0	0	0	0
48.00	Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0	0
49.00	Respiratory Therapy	0	111,466	1,303	28,428	0	244,306	0	5,237	40,819	3,662	276,271	0
50.00	Physical Therapy	0	320,428	6,699	81,721	0	181,749	0	98,983	22,628	828	95,178	0
51.00	Occupational Therapy	0	45,483	0	11,600	0	38,552	0	4,027	54	0	32,848	0
52.00	Speech Pathology	0	37,866	0	9,657	0	21,064	0	0	78	0	18,475	0
53.00	Electrocardiology	0	504,493	16,925	128,665	0	174,118	0	208,478	897,805	761	458,068	0
54.00	Electroencephalography	0	38,824	172	9,902	0	17,885	0	0	2,789	0	11,482	0
55.00	Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	16,070	1,619	4,881	0
56.00	Drugs Charged to Patients	0	0	0	0	0	0	0	0	0	4,795,924	1,144,253	0
57.00	Renal Dialysis	0	63,633	52	16,229	0	26,549	0	69,280	8,476	1,952	46,273	0
58.00	ASC (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0	0
59.00	Pulmonary Function	0	54,058	48	13,787	0	18,401	0	0	1,344	860	67,772	0
59.01	G.I. Lab	0	295,271	69,003	75,305	0	108,740	0	220,855	70,585	2,226	144,575	0
59.02	Cardiac Rehab	0	88,007	0	22,445	0	22,813	0	57,835	408	437	8,471	0
59.03	Ophthalmology	0	32,600	0	8,314	0	3,656	0	10,525	74	997	5,562	0
59.04	Substance Abuse	0	0	0	0	0	17,368	0	6,054	21	8	21,372	0
59.05	Diabetic Care	0	38,215	0	9,746	0	23,012	0	32,044	4	8	5,728	0
60.00	Clinic	0	0	0	0	0	0	0	0	0	0	0	0
60.01	Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0	0
61.00	Emergency	0	1,039,541	214,467	265,122	0	393,784	0	743,478	73,907	16,102	294,110	0
62.00	Observation Beds	0	0	0	0	0	0	0	0	0	0	0	0
71.00	Home Health	0	0	0	0	0	0	0	258,484	30,514	107,025	29,903	0
82.00		0	0	0	0	0	0	0	0	0	0	0	0
83.00		0	0	0	0	0	0	0	0	0	0	0	0
84.00		0	0	0	0	0	0	0	0	0	0	0	0
85.00		0	0	0	0	0	0	0	0	0	0	0	0
93.00	Hospice	0	0	0	0	0	0	0	114,403	0	54,525	8,300	0
<b>NONREIMBURSABLE COST CENTE</b>													
96.00	Gift, Flower, Coffee Shop & Canteen	0	80,825	0	20,613	0	0	0	0	0	0	0	0
96.01	Foundation	0	41,131	0	10,490	0	27,582	0	0	0	0	0	0
96.02	T.L.C.	0	0	0	0	0	11,486	0	21,938	0	0	0	0
96.03	Transportation	0	0	0	0	0	17,090	0	0	0	0	0	0
96.04	Public Relations	0	37,692	0	9,613	0	9,062	0	0	0	0	0	0
96.05	THA/POSS.	0	0	0	0	0	0	0	0	0	0	0	0
96.06	Physician Meals	0	65,940	0	16,817	0	0	0	0	0	0	0	0
96.07		0	0	0	0	0	0	0	0	0	0	0	0
99.05		0	0	0	0	0	0	0	0	0	0	0	0
100.00		0	0	0	0	0	0	0	0	0	0	0	0
100.01		0	0	0	0	0	0	0	0	0	0	0	0
100.02		0	0	0	0	0	0	0	0	0	0	0	0
100.03		0	0	0	0	0	0	0	0	0	0	0	0
100.04		0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>												<b>1,064,607</b>	
												<b>7,962,565</b>	
												<b>6,863,722</b>	
												<b>4,157,894</b>	
												<b>10,544,609</b>	
												<b>0</b>	
												<b>7,037,270</b>	
												<b>1,373,080</b>	
												<b>5,736,850</b>	
												<b>2,774,038</b>	
												<b>22,613,318</b>	



STATE OF CALIFORNIA

COMPUTATION OF COST ALLOCATION (W/S B)

SCHEDULE 8.3

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

TRIAL BALANCE EXPENSES	ALLOC COST 19.00	ALLOC COST 19.02	ALLOC COST 19.03	NON-PHYSICIAN ANESTH 20.00	NURSING SCHOOL 21.00	INT & RES SALARY & FRINGES 22.00	INT & RES PROGRAM 23.00	PARAMED EDUCAT 24.00	SUBTOTAL	POST STEP-DOWN ADJUSTMENT	TOTAL COST
<b>ANCILLARY COST CENTERS</b>											
37.00 Operating Room	0	0	0	0	0	0	0	0	63,699,346	0	63,699,346
38.00 Recovery Room	0	0	0	0	0	0	0	0	0	0	0
39.00 Delivery Room and Labor Room	0	0	0	0	0	0	0	0	10,543,889	0	10,543,889
40.00 Anesthesiology	0	0	0	0	0	0	0	0	0	0	0
41.00 Radiology - Diagnostic	0	0	0	0	0	0	0	0	36,110,411	0	36,110,411
42.00 Radiology - Therapeutic	0	0	0	0	0	0	0	0	3,621,806	0	3,621,806
43.00 Radioisotope	0	0	0	0	0	0	0	0	2,557,130	0	2,557,130
44.00 Laboratory	0	0	0	0	0	0	0	0	17,534,470	0	17,534,470
44.01 Pathological Lab	0	0	0	0	0	0	0	0	0	0	0
46.00 Whole Blood	0	0	0	0	0	0	0	0	8,752,855	0	8,752,855
47.00 Blood Storing and Processing	0	0	0	0	0	0	0	0	0	0	0
48.00 Intravenous Therapy	0	0	0	0	0	0	0	0	0	0	0
49.00 Respiratory Therapy	0	0	0	0	0	0	0	0	8,172,952	0	8,172,952
50.00 Physical Therapy	0	0	0	0	0	0	0	0	5,611,281	0	5,611,281
51.00 Occupational Therapy	0	0	0	0	0	0	0	0	1,364,971	0	1,364,971
52.00 Speech Pathology	0	0	0	0	0	0	0	0	739,321	0	739,321
53.00 Electrocardiology	0	0	0	0	0	0	0	0	20,951,366	0	20,951,366
54.00 Electroencephalography	0	0	0	0	0	0	0	0	630,106	0	630,106
55.00 Medical Supplies Charged to Patients	0	0	0	0	0	0	0	0	498,510	0	498,510
56.00 Drugs Charged to Patients	0	0	0	0	0	0	0	0	20,392,523	0	20,392,523
57.00 Renal Dialysis	0	0	0	0	0	0	0	0	1,453,285	0	1,453,285
58.00 ASC (Non-Distinct Part)	0	0	0	0	0	0	0	0	0	0	0
59.00 Pulmonary Function	0	0	0	0	0	0	0	0	793,160	0	793,160
59.01 G.I. Lab	0	0	0	0	0	0	0	0	5,924,000	0	5,924,000
59.02 Cardiac Rehab	0	0	0	0	0	0	0	0	1,009,045	0	1,009,045
59.03 Ophthalmology	0	0	0	0	0	0	0	0	265,554	0	265,554
59.04 Substance Abuse	0	0	0	0	0	0	0	0	1,469,633	0	1,469,633
59.05 Diabetic Care	0	0	0	0	0	0	0	0	807,153	0	807,153
60.00 Clinic	0	0	0	0	0	0	0	0	0	0	0
60.01 Other Clinic Services	0	0	0	0	0	0	0	0	0	0	0
61.00 Emergency	0	0	0	0	0	0	0	0	17,352,144	0	17,352,144
62.00 Observation Beds	0	0	0	0	0	0	0	0	0	0	0
71.00 Home Health	0	0	0	0	0	0	0	0	7,772,677	0	7,772,677
82.00	0	0	0	0	0	0	0	0	0	0	0
83.00	0	0	0	0	0	0	0	0	0	0	0
84.00	0	0	0	0	0	0	0	0	0	0	0
85.00	0	0	0	0	0	0	0	0	0	0	0
93.00 Hospice	0	0	0	0	0	0	0	0	2,071,305	0	2,071,305
<b>NONREIMBURSABLE COST CENTER:</b>											
96.00 Gift, Flower, Coffee Shop & Canteen	0	0	0	0	0	0	0	0	203,759	0	203,759
96.01 Foundation	0	0	0	0	0	0	0	0	1,151,071	0	1,151,071
96.02 T.L.C.	0	0	0	0	0	0	0	0	167,491	0	167,491
96.03 Transportation	0	0	0	0	0	0	0	0	331,177	0	331,177
96.04 Public Relations	0	0	0	0	0	0	0	0	497,668	0	497,668
96.05 THA/POSS.	0	0	0	0	0	0	0	0	18,768,075	0	18,768,075
96.06 Physician Meals	0	0	0	0	0	0	0	0	218,232	0	218,232
96.07	0	0	0	0	0	0	0	0	0	0	0
99.05	0	0	0	0	0	0	0	0	0	0	0
100.00	0	0	0	0	0	0	0	0	0	0	0
100.01	0	0	0	0	0	0	0	0	0	0	0
100.02	0	0	0	0	0	0	0	0	0	0	0
100.03	0	0	0	0	0	0	0	0	0	0	0
100.04	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>378,114,287</b>	<b>0</b>	<b>378,114,287</b>







STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.1

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

	EMP BENE (GROSS SALARIES)	STAT	STAT	STAT	STAT	STAT	STAT	STAT	STAT	ADM & GEN (ACCU M COST)	MAINT & REPAIRS (SQ FT)
	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)
<b>ANCILLARY COST CENTERS</b>											
37.00 Operating Room	12,512,339	6.01	6.03	6.04	6.05	6.06	6.07	6.08	49,601,183		7.00
38.00 Recovery Room		(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	0		(Adj)
39.00 Delivery Room and Labor Room	4,963,639								7,810,915		
40.00 Anesthesiology									0		
41.00 Radiology - Diagnostic	12,194,354								26,383,226		
42.00 Radiology - Therapeutic	1,150,738								2,424,034		
43.00 Radioisotope	693,082								1,867,219		
44.00 Laboratory	6,032,070								13,683,211		
44.01 Pathological Lab									0		
46.00 Whole Blood	1,099,155								6,196,152		
47.00 Blood Storing and Processing									0		
48.00 Intravenous Therapy									0		
49.00 Respiratory Therapy	4,649,450								6,663,703		
50.00 Physical Therapy	2,770,880								4,290,687		
51.00 Occupational Therapy	816,920								1,100,936		
52.00 Speech Pathology	432,158								582,607		
53.00 Electrocardiology	2,719,465								16,581,897		
54.00 Electroencephalography	313,096								490,481		
55.00 Medical Supplies Charged to Patients	172,427								425,168		
56.00 Drugs Charged to Patients									12,910,604		
57.00 Renal Dialysis	688,119								1,090,605		
58.00 ASC (Non-Distinct Part)									0		
59.00 Pulmonary Function	323,052								568,948		
59.01 G.I. Lab	2,191,459								4,410,726		
59.02 Cardiac Rehab	464,950								722,367		
59.03 Ophthalmology	82,540								182,082		
59.04 Substance Abuse	202,232								1,272,823		
59.05 Diabetic Care	461,058								623,893		
60.00 Clinic									0		
60.01 Other Clinic Services									0		
61.00 Emergency	7,993,783								12,784,904		
62.00 Observation Beds									0		
71.00 Home Health	3,470,833								6,563,017		
82.00									0		
83.00									0		
84.00									0		
85.00									0		
93.00 Hospice	1,008,249								1,692,021		
<b>NONREIMBURSABLE COST CENTERS</b>											
96.00 Gift, Flower, Coffee Shop & Canteen									91,405		
96.01 Foundation	749,631								957,524		
T.L.C.	96,319								119,765		
96.03 Transportation	172,723								280,581		
96.04 Public Relations	147,629								394,224		
96.05 THA/POSS.									16,765,942		
96.06 Physician Meals	22,553								121,023		
96.07									0		
99.05									0		
100.00									0		
100.01									0		
100.02									0		
100.03									0		
100.04									0		
TOTAL	165,016,029	0	0	0	0	0	0	0	337,777,971	0	0
COST TO BE ALLOCATED	25,224,001	0	0	0	0	0	0	0	40,336,317	0	0
UNIT COST MULTIPLIER - SCH 8	0.152858	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.119417	0.000000	0.000000





STATE OF CALIFORNIA

STATISTICS FOR COST ALLOCATION (W/S B-1)

SCHEDULE 9.2

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

	OPER PLANT (SQ FT) (Adj)	LAUNDRY & LINEN (LB LNDRY) (Adj)	HOUSE-KEEPING (HR SERV) (Adj)	DIETARY (MEALS SERVED) (Adj)	CAFETERIA (Adj)	MAINT OF PERSONNEL (# HOUSED) (Adj)	NURSING ADMIN (NURSE HR) (Adj)	CENT SERV & SUPPLY (CST REQ) (Adj)	PHARMACY (COSTS REQUIS) (Adj)	MED REC (ADJUSTED REV) (Adj)	SOC SERV (TIME SPENT) (Adj)	STAT (Adj)
<b>ANCILLARY COST CENTERS</b>												
37.00	48,180	154,204	48,180	11,000	12,000	13,000	195,281	27,669,064	581,337	249,821,171	18,000	19,000
38.00												
39.00	13,547	86,010	13,547		5,892	81,809	810,403		27,523	30,960,713		
40.00												
41.00	58,760	74,661	58,760	11,000	20,179	58,113	3,151,350	473,491	387,331,750			
42.00	12,466	19,178	12,466	(Adj)	1,488	5,108	36,602	4,793	25,243,520			
43.00	4,110	1,892	4,110	(Adj)	914	2,925	359,782	197,031	20,066,033			
44.00	14,885	3,615	14,885	(Adj)	9,500		2,922,209	1,488	180,471,902			
44.01												
46.00	4,541	93	4,541		1,237	4,999	292,184	3,984,840	16,264,489			
47.00												
48.00												
49.00	2,561	1,241	2,561		6,147	814	515,789	10,477	63,487,800			
50.00	7,362	6,382	7,362		4,573	15,386	285,929	2,369	21,714,955			
51.00	1,045		1,045		970	626	688		7,494,385			
52.00	870		870		530		986		4,215,077			
53.00	11,591	16,124	11,591		4,381	32,406	11,344,610	2,178	104,508,748			
54.00	892	164	892		450		35,244	4,631	2,619,597			
55.00							203,054	13,720,341	1,113,661	261,062,989		
56.00	1,462	50	1,462		668	10,769	107,102	5,584	10,557,296			
57.00												
58.00	1,242	46	1,242		463		16,984	2,461	15,462,213			
59.00	6,784	65,736	6,784		2,736	34,330	891,914	6,367	32,984,915			
59.01												
59.02	2,022		2,022		574	8,990	5,152	1,250	1,932,667			
59.03	749		749		92	1,636	931	2,851	1,269,075			
59.04												
59.05	878		878		579	4,981	51	22	1,306,935			
60.00												
60.01												
61.00	23,884	204,312	23,884		9,908	115,567	933,881	46,066	67,101,519			
62.00												
71.00							40,179	385,576	306,180	6,822,520		
82.00												
83.00												
84.00												
85.00												
93.00							17,783		155,987	1,893,643		
<b>Hospice</b>												
<b>NONREIMBURSABLE COST CENTERS</b>												
96.00	1,857		1,857		694							
96.01	945		945		289							
96.02					430		3,410					
96.03					228							
96.04	866		866									
96.05												
96.06	1,515		1,515									
96.07												
99.05												
100.00												
100.01												
100.02												
100.03												
100.04												
TOTAL	519,553	2,642,688	516,814	235,943	177,065	0	1,639,066	52,538,899	19,635,967	1,816,670,036	99,253	0
COST TO BE ALLOCATED	22,613,318	2,774,038	5,736,850	1,373,080	7,037,270	0	10,544,609	4,157,894	6,863,722	7,962,565	1,064,607	0
UNIT COST MULTIPLIER - SCH 8	43.524565	1,049703	11,100415	5,819543	39,743995	0.000000	6.433303	0.079139	0.349548	0.004363	10.726194	0.000000

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

	STAT	STAT	NONPHY ANESTH (ASG TIME)	NURSE SCHOOL (ASG TIME)	I&R-SAL & FRINGES (ASG TIME)	I&R-PRG COST (ASG TIME)	PARAMED EDUCAT (ASG TIME)
<b>GENERAL SERVICE COST CENTERS</b>							
1.00 Old Cap Rel Costs-Bldg & Fixtures	19.02 (Adj)	19.03 (Adj)	20.00 (Adj)	21.00 (Adj)	22.00 (Adj)	23.00 (Adj)	24.00 (Adj)
2.00 Old Cap Rel Costs-Movable Equipment	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)	(Adj)
3.00 New Cap Rel Costs-Bldg & Fixtures							
4.00 New Cap Rel Costs-Movable Equipment							
4.01							
4.02							
4.03							
4.04							
4.05							
4.06							
4.07							
4.08							
5.00 Employee Benefits							
6.01 Non-Patient Telephones							
6.02 Data Processing							
6.03 Purchasing/Receiving							
6.04 Patient Admitting							
6.05 Patient Business Office							
6.06							
6.07							
6.08							
7.00 Administrative and General							
8.00 Maintenance and Repairs							
9.00 Operation of Plant							
10.00 Laundry and Linen Service							
11.00 Housekeeping							
12.00 Dietary							
13.00 Cafeteria							
14.00 Maintenance of Personnel							
15.00 Nursing Administration							
16.00 Central Services & Supply							
17.00 Pharmacy							
18.00 Medical Records and Library							
19.00 Social Service							
19.02							
19.03							
20.00							
21.00 Nursing School							
22.00 Intern & Res Service-Salary & Fringes							
23.00 Intern & Res Other Program							
24.00 Paramedical Ed Program							
<b>INPATIENT ROUTINE COST CENTERS</b>							
25.00 Adults & Pediatrics (Gen Routine)							
26.00 Intensive Care Unit							
28.00 Burn Intensive Care Unit							
30.00 Neonatal Intensive Care Unit							
33.00 Nursery							
34.00 Skilled Nursing Facility							
35.00 Distinct Part Nursing Facility							
36.00 Adult Subacute Care Unit							
36.01 Subacute Care Unit II							
36.02 Transitional Care Unit							



## TRIAL BALANCE OF EXPENSES

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	<b>GENERAL SERVICE COST CENTERS</b>			
1.00	Old Cap Rel Costs-Bldg & Fixtures	\$ 2,437,658	\$ 0	\$ 2,437,658
2.00	Old Cap Rel Costs-Movable Equipment		0	0
3.00	New Cap Rel Costs-Bldg & Fixtures	15,110,279	0	15,110,279
4.00	New Cap Rel Costs-Movable Equipment	13,475,167	0	13,475,167
4.01			0	0
4.02			0	0
4.03			0	0
4.04			0	0
4.05			0	0
4.06			0	0
4.07			0	0
4.08			0	0
5.00	Employee Benefits	24,902,288	0	24,902,288
6.01	Non-Patient Telephones		0	0
6.02	Data Processing		0	0
6.03	Purchasing/Receiving		0	0
6.04	Patient Admitting		0	0
6.05	Patient Business Office		0	0
6.06			0	0
6.07			0	0
6.08			0	0
6.00	Administrative and General	34,590,324	0	34,590,324
7.00	Maintenance and Repairs		0	0
8.00	Operation of Plant	17,169,843	0	17,169,843
9.00	Laundry and Linen Service	2,279,038	0	2,279,038
10.00	Housekeeping	4,637,273	0	4,637,273
11.00	Dietary	850,741	0	850,741
12.00	Cafeteria	3,996,314	0	3,996,314
13.00	Maintenance of Personnel		0	0
14.00	Nursing Administration	7,851,768	0	7,851,768
15.00	Central Services & Supply	2,088,516	0	2,088,516
16.00	Pharmacy	5,018,908	0	5,018,908
17.00	Medical Records and Library	5,416,071	0	5,416,071
18.00	Social Service	725,378	0	725,378
19.00			0	0
19.02			0	0
19.03			0	0
20.00			0	0
21.00	Nursing School		0	0
22.00	Intern & Res Service-Salary & Fringes		0	0
23.00	Intern & Res Other Program		0	0
24.00	Paramedical Ed Program		0	0
	<b>INPATIENT ROUTINE COST CENTERS</b>			
25.00	Adults & Pediatrics (Gen Routine)	35,476,969	0	35,476,969
26.00	Intensive Care Unit	9,371,219	0	9,371,219
28.00	Burn Intensive Care Unit	2,627,473	0	2,627,473
30.00	Neonatal Intensive Care Unit	4,773,423	0	4,773,423
			0	0
			0	0
			0	0
			0	0
33.00	Nursery	3,127,393	0	3,127,393
34.00	Skilled Nursing Facility	4,236,777	0	4,236,777
35.00	Distinct Part Nursing Facility		0	0
36.00	Adult Subacute Care Unit		0	0
36.01	Subacute Care Unit II		0	0
36.02	Transitional Care Unit		0	0

## TRIAL BALANCE OF EXPENSES

Provider Name:  
TORRANCE MEMORIAL MEDICAL CENTER

Fiscal Period Ended:  
DECEMBER 31, 2008

		REPORTED	ADJUSTMENTS (From Sch 10A)	AUDITED
	<b>ANCILLARY COST CENTERS</b>			
37.00	Operating Room	\$ 45,317,072	\$ 0	\$ 45,317,072
38.00	Recovery Room		0	0
39.00	Delivery Room and Labor Room	6,385,377	0	6,385,377
40.00	Anesthesiology		0	0
41.00	Radiology - Diagnostic	21,626,956	0	21,626,956
42.00	Radiology - Therapeutic	1,634,537	0	1,634,537
43.00	Radioisotope	1,558,975	0	1,558,975
44.00	Laboratory	12,028,497	0	12,028,497
44.01	Pathological Lab		0	0
46.00	Whole Blood	5,804,622	0	5,804,622
47.00	Blood Storing and Processing		0	0
48.00	Intravenous Therapy		0	0
49.00	Respiratory Therapy	5,826,941	0	5,826,941
50.00	Physical Therapy	3,504,766	0	3,504,766
51.00	Occupational Therapy	924,627	0	924,627
52.00	Speech Pathology	473,725	0	473,725
53.00	Electrocardiology	15,595,677	0	15,595,677
54.00	Electroencephalography	398,716	0	398,716
55.00	Medical Supplies Charged to Patients	398,811	0	398,811
56.00	Drugs Charged to Patients	12,910,604	0	12,910,604
57.00	Renal Dialysis	913,458	0	913,458
58.00	ASC (Non-Distinct Part)		0	0
59.00	Pulmonary Function	458,434	0	458,434
59.01	G.I. Lab	3,741,824	0	3,741,824
59.02	Cardiac Rehab	551,769	0	551,769
59.03	Ophthalmology	132,598	0	132,598
59.04	Substance Abuse	1,241,910	0	1,241,910
59.05	Diabetic Care	510,200	0	510,200
60.00	Clinic		0	0
60.01	Other Clinic Services		0	0
61.00	Emergency	10,387,380	0	10,387,380
62.00	Observation Beds		0	0
71.00	Home Health	5,792,468	0	5,792,468
82.00			0	0
83.00			0	0
84.00			0	0
85.00			0	0
93.00	Hospice	1,537,902	0	1,537,902
	<b>SUBTOTAL</b>	<b>\$ 359,820,666</b>	<b>\$ 0</b>	<b>\$ 359,820,666</b>
	<b>NONREIMBURSABLE COST CENTERS</b>			
96.00	Gift, Flower, Coffee Shop & Canteen		0	0
96.01	Foundation	796,422	0	796,422
96.02	T.L.C.	105,042	0	105,042
96.03	Transportation	254,179	0	254,179
96.04	Public Relations	329,032	0	329,032
96.05	THA/POSS.	16,765,942	0	16,765,942
96.06	Physician Meals	43,005	0	43,005
96.07			0	0
99.05			0	0
100.00			0	0
100.01			0	0
100.02			0	0
100.03			0	0
100.04			0	0
100.99	<b>SUBTOTAL</b>	<b>\$ 18,293,622</b>	<b>\$ 0</b>	<b>\$ 18,293,622</b>
101	<b>TOTAL</b>	<b>\$ 378,114,288</b>	<b>\$ 0</b>	<b>\$ 378,114,288</b>

(To Schedule 8)











Provider Name		Fiscal Period				Provider Number		Adjustments		
TORRANCE MEMORIAL MEDICAL CENTER		JANUARY 1, 2008 THROUGH DECEMBER 31, 2008				HSC 30351F		6		
Report References										
Adj. No.	Audit Report	Work Sheet	Cost Report			As Reported	Increase (Decrease)	As Adjusted		
			Part	Title	Line					
<b>ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - CONTRACT</b>										
1	Contract 4	D-1	I	XIX	9.00	1	4,623			
	Contract 4A	D-1	II	XIX	42.00	4	1,265	459		5,082
	Contract 4A	D-1	II	XIX	43.00	4	632	70		1,335
	Contract 4A	D-1	II	XIX	43.00	4	472	63		695
	Contract 4A	D-1	II	XIX	43.00	4	937	41		513
	Contract 4A	D-1	II	XIX	43.00	4		56		993
2	Contract 6	D-4		XIX	37.00	2	\$1,880,412	\$3,842,860		\$5,723,272
	Contract 6	D-4		XIX	39.00	2	4,245,603	(2,413,486)		1,832,117
	Contract 6	D-4		XIX	41.00	2	4,568,535	(721,680)		3,846,855
	Contract 6	D-4		XIX	42.00	2	0	700		700
	Contract 6	D-4		XIX	43.00	2	364,285	(69,729)		294,556
	Contract 6	D-4		XIX	44.00	2	6,497,278	2,187,525		8,684,803
	Contract 6	D-4		XIX	46.00	2	535,670	(185,161)		350,509
	Contract 6	D-4		XIX	49.00	2	4,131,158	475,397		4,606,555
	Contract 6	D-4		XIX	50.00	2	346,539	87,346		433,885
	Contract 6	D-4		XIX	51.00	2	172,073	(5,508)		166,565
	Contract 6	D-4		XIX	52.00	3	147,168	(5,182)		141,986
	Contract 6	D-4		XIX	53.00	2	1,306,874	380,276		1,687,150
	Contract 6	D-4		XIX	54.00	2	19,727	2,143		21,870
	Contract 6	D-4		XIX	55.00	2	133,132	(23,682)		109,450
	Contract 6	D-4		XIX	56.00	2	11,177,025	1,069,337		12,246,362
	Contract 6	D-4		XIX	57.00	2	396,873	105,835		502,708
	Contract 6	D-4		XIX	59.00	2	804,973	(614,034)		190,939
	Contract 6	D-4		XIX	59.01	2	307,740	(25,815)		281,925
	Contract 6	D-4		XIX	59.02	2	2,110	(2,110)		0
	Contract 6	D-4		XIX	59.05	2	35,886	2,038		37,924
	Contract 6	D-4		XIX	61.00	2	1,748,498	485,605		2,234,103
	Contract 6	D-4		XIX	101.00	2	38,821,559	4,572,675		43,394,234
3	Contract 2	E-3	III	XIX	10.00	1	\$21,093,379	\$1,913,426		\$23,006,805
	Contract 2	E-3	III	XIX	11.00	1	38,821,559	4,572,675		43,394,234

-Continued on next page-

<b>Provider Name</b>		<b>Fiscal Period</b>		<b>Provider Number</b>		<b>Adjustments</b>		
TORRANCE MEMORIAL MEDICAL CENTER		JANUARY 1, 2008 THROUGH DECEMBER 31, 2008		HSC 30351F		6		
Report References								
Adj. No.	Audit Report	Work Sheet	Cost Report			As Reported	Increase (Decrease)	As Adjusted
			Part	Title	Line			

**ADJUSTMENTS TO REPORTED MEDI-CAL SETTLEMENT DATA - CONTRACT**

-Continued from previous page-										
4	Contract 3	E-3	III	XIX	33.00	1	Medi-Cal Deductibles	\$8,876	\$11,779	\$20,655
	Contract 3	E-3	III	XIX	36.00	1	Medi-Cal Coinsurance	214,930	47,498	262,428

To adjust Medi-Cal Settlement Data to agree with the following  
 EDS Paid Claims Summary:  
 Report Date: October 28, 2009  
 Payment Period: January 1, 2008 through August 31, 2009  
 Service Period: January 1, 2008 through December 31, 2008  
 42 CFR 413.20, 413.50, 413.53, 413.60 and 413.64  
 CMS Pub. 15-1, Sections 2304 and 2408

Provider Name		Fiscal Period				Provider Number		Adjustments	
TORRANCE MEMORIAL MEDICAL CENTER		JANUARY 1, 2008 THROUGH DECEMBER 31, 2008				HSC 30351F		6	
Report References									
Adj. No.	Audit Report	Work Sheet	Cost Report			As Reported	Increase (Decrease)	As Adjusted	
			Part	Title	Line				Col.
5	DPNF 4	Not Reported				\$0	\$4,398,549	\$4,398,549	
	DPNF 4	Not Reported				0	134,965	134,965	
	DPNF 4	Not Reported				0	4,533,514	4,533,514	
<p><b>ADJUSTMENT TO REPORTED MEDI-CAL SETTLEMENT DATA - DPNF</b></p> <p>Total Ancillary Charges - Respiratory Therapy \$4,398,549                      Total Ancillary Charges - Medical Supplies Charged to Patients 134,965                      Total Ancillary Charges 4,533,514                      To include DPNF ancillary charges for proper cost determination.                      CMS Pub. 15-I, Sections 2304 and 2408                      CCR, Title 22, Section 51511 (c)</p>									

Provider Name		Fiscal Period				Provider Number		Adjustments	
TORRANCE MEMORIAL MEDICAL CENTER		JANUARY 1, 2008 THROUGH DECEMBER 31, 2008				HSC 30351F		6	
Report References									
Adj. No.	Audit Report	Work Sheet	Cost Report			As Reported	Increase (Decrease)	As Adjusted	
			Part	Title	Line				
6	DPNF1	S-3	I	25.00	1	352	49	401	
<p><b>Explanation of Audit Adjustments</b></p> <p><b>ADJUSTMENT TO OTHER MATTERS</b></p> <p>Total Licensed Capacity (All Levels)                      To adjust reported total licensed capacity beds to agree with the facility license.                      42 CFR 413.20 and 413.24                      CMS Pub. 15-1, Section 2304</p>									