



STATE OF NEW YORK
OFFICE OF THE MEDICAID INSPECTOR GENERAL

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Rochester, New York 14607

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ANDREW M. CUOMO
GOVERNOR

JAMES C. COX
MEDICAID INSPECTOR GENERAL

February 11, 2013

[REDACTED]
Unity Health Systems
89 Genesee Street
Rochester, New York 14611

Re: Medicaid Rate Audit #09-4108
NPI Number: [REDACTED]
Provider Number: [REDACTED]

Dear [REDACTED]:

Enclosed is the final audit report of the Office of the Medicaid Inspector General's (the "OMIG") audit of Park Ridge Nursing Home's (the "Facility") LTHHCP Medicaid rates for the rate period January 1, 2005 through December 31, 2008. In accordance with 18 NYCRR Section 517.6, this audit report represents the OMIG's final determination on issues raised in the draft audit report.

In response to the draft audit report dated April 23, 2012, you identified specific audit findings with which you disagreed. Your comments have been considered (see Attachment A) and the report has been either revised accordingly and/or amended to address your comments (see Attachment B). Consideration of your comments resulted in an overall reduction of \$814,356 to the total Medicaid overpayment shown in the draft audit report. Based on the enclosed audited rates calculated by the Bureau of Long Term Care Reimbursement, the Medicaid overpayment currently due is \$1,063,981. This overpayment is subject to Department of Health (the "DOH") and Division of Budget (the "DOB") final approval. While not anticipated, any difference between the calculated overpayment and the final DOH and DOB approved amount will be resolved with the Facility by the OMIG Bureau of Collections Management.

In accordance with 18 NYCRR Part 518 which regulates the collection of overpayments, your repayment options are described below.

OPTION #1: Make full payment by check or money order within 20 days of the date of the final audit report. The check should be made payable to the New York State Department of Health and be sent with the attached Remittance Advice to:

[REDACTED]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #09-4108
Albany, New York 12237-0048

OPTION #2: Enter into a repayment agreement with the Office of the Medicaid Inspector General. If your repayment terms exceed 90 days from the date of the final audit report, recoveries of amounts due are subject to interest charges at the prime rate plus 2%. If the process of establishing the repayment agreement exceeds 20 days from the date of the final audit report, the OMIG will impose a 15% withhold after 20 days until the agreement is established. The OMIG may require financial information from you to establish the terms of the repayment agreement. If additional information is requested, the OMIG must receive the information within 30 days of the request or a 50% withhold will be imposed. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. The OMIG will adjust the rate of recovery, or require payment in full, if your unpaid balance is not being repaid as agreed. The OMIG will notify you no later than 5 days after initiating such action. If you wish to enter into a repayment agreement, you must forward your written request within 20 days to the following:

Bureau of Collections Management
New York State Office of the Medicaid Inspector General
800 North Pearl Street
Albany, New York 12204

[REDACTED]

If within 20 days, you fail to make full payment or contact the OMIG to make repayment arrangements, the OMIG will establish a withhold equal to 50% of your Medicaid billings to secure payment and liquidate the overpayment amount, interest and/or penalty, not barring any other remedy allowed by law. The OMIG will provide notice to you no later than 5 days after the withholding of any funds.

In addition, if you receive an adjustment in your favor while you owe funds to the State, such adjustment will be applied against the amount owed.

You have the right to challenge this action and determination by requesting an administrative hearing within sixty (60) days of the date of this notice. You may not request a hearing to raise issues related to rate setting or rate setting methodology. In addition, you may not raise any issue that was raised or could have been raised at a rate appeal with your rate setting agency. You may only request a hearing to challenge specific audit adjustments which you challenged in a response to the draft audit report.

If you wish to request a hearing, the request must be submitted in writing to:

General Counsel
Office of Counsel
New York State Office of the Medicaid Inspector General
800 North Pearl Street
Albany, New York 12204

Questions regarding the request for a hearing should be directed to [REDACTED]
of the Office of Counsel at [REDACTED]

If a hearing is held, you may have a person represent you or you may represent yourself. If you choose to be represented by someone other than an attorney, you must supply a signed authorization permitting that person to represent you along with your hearing request. At the hearing, you may call witnesses and present documentary evidence on your behalf. If you have any questions regarding the above, please contact me at [REDACTED]

Sincerely,

[REDACTED]
Principal Medical Facilities Auditor
Bureau of Rate Audit
Division of Medicaid Audit
Office of the Medicaid Inspector General

Attachments:

- ATTACHMENT A - Facility Draft Report Comments and OMIG Responses
- ATTACHMENT B - Summary of Changes From Draft To Final Audit Reports
- EXHIBIT I - Summary of Per Diem Impact and Medicaid Overpayment
- EXHIBIT II - LTHHCP Services Stepdown Beginning Balance Expense Disallowances/(Allowances)
- EXHIBIT III - Waivered Services Stepdown Beginning Balance Expense Disallowances
- EXHIBIT IV - LTHHCP Audit Adjustments, Audited Stepdown Beginning Balances, and Audited Stepdown - 2005
- EXHIBIT V - LTHHCP Audit Adjustments, Audited Stepdown Beginning Balances, and Audited Stepdown - 2006
- EXHIBIT VI - LTHHCP Audit Adjustments, Audited Stepdown Beginning Balances, and Audited Stepdown - 2007
- EXHIBIT VII - LTHHCP Audit Adjustments, Audited Stepdown Beginning Balances, and Audited Stepdown - 2008
- EXHIBIT VIII - Waivered Services Audit Adjustments and Audited Costs - 2006
- EXHIBIT IX - Waivered Services Audit Adjustments and Audited Costs - 2007
- EXHIBIT X - Waivered Services Audit Adjustments and Audited Costs - 2008

cc: [REDACTED]

CERTIFIED MAIL [REDACTED]
RETURN RECEIPT REQUESTED

**NEW YORK STATE
OFFICE OF THE MEDICAID INSPECTOR GENERAL
REMITTANCE ADVICE**

NAME AND ADDRESS OF AUDITEE

Park Ridge Nursing Home - LTHHCP
1500 Long Pond Road
Rochester, New York

NPI #: [REDACTED]
PROVIDER #: [REDACTED]

AUDIT #09-4108

AMOUNT DUE: \$1,063,981

AUDIT	<input type="checkbox"/>	PROVIDER
TYPE	<input checked="" type="checkbox"/>	RATE
	<input type="checkbox"/>	PART B
	<input type="checkbox"/>	OTHER:

CHECKLIST

1. To ensure proper credit, please enclose this form with your check.
2. Make checks payable to: *New York State Department of Health*
3. Record the Audit Number on your check.
4. Mail check to:

[REDACTED]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #09-4108
Albany, New York 12237-0048

5. If the provider number shown above is incorrect, please enter the correct number below.

[REDACTED]
CORRECT PROVIDER NUMBER

**PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
FACILITY DRAFT REPORT COMMENTS AND OMIG RESPONSES**

All OMIG adjustments were accepted by the Facility except for those shown below. The following details the disposition of final report adjustments after consideration of the Facility's draft audit report response comments.

**EXHIBIT II COMMENTS – LTHHCP SERVICES STEPDOWN BEGINNING BALANCE EXPENSE
DISALLOWANCES/(ALLOWANCES)**

ADJUSTMENT #1 – ADJUSTMENT TO PENSION EXPENSES

Facility Comment

This adjustment states that we did not fully fund our pension expense for 2003, 2005 and 2006 and that we overfunded our expense in 2004 (rate years 2005-2008). We disagree with this statement. We believe this is simply a timing issue. The funding for the pension was not always made in that particular year but amounts have been subsequently adjusted. We are requesting that the amounts funded in later years for 2003, 2005 & 2006 be considered in the calculation.

OMIG Response

The regulations require that reported pension expenses be funded within a year of the end of the cost report period in which the liability was established. The Facility's request for consideration of funding which took place more than one year after such periods is contrary to this requirement. In addition, since the subsequent funding in question took place in years not under audit, the OMIG does not have the authority, or the mechanism, to take into consideration such funding.

Disposition: The draft audit report adjustment was unchanged.

**ADJUSTMENT #2 – ADJUSTMENTS TO CONTRACTED HHA, PCA, AND HOUSEKEEPER
SERVICES**

The draft audit report adjustments were eliminated as a result of additional information supplied by the Facility and additional review by the OMIG.

**ADJUSTMENT #3 – DISALLOWANCES TO HHA, PCA, AND HOUSEKEEPER SERVICES
CONTRACTED FROM A RELATED COMPANY**

Facility Comment

We do not agree with the disallowance of the contracted service expense and are requesting that it be added back to our allowable costs. The costs may be slightly higher than the market rate, however, the main reason we use the Unity at Home contracted services over other outside agencies has to do with the quality of service that our clients receive. As noted from the Director for Park Ridge at Home (PRAH), the contract agencies have no accountability to fill PRAH cases. The outside agencies have contracts with many other agencies. The quality of the services we were receiving was poor and there was poor communication with our office. Unity at Home has improved the quality of the service that the PRAH clients receive and they have been accountable to ensure that the clients have care. Please remove this adjustment from the final audit report.

OMIG Response

The regulations state that the cost of goods and services furnished by a related entity should not exceed the market price of comparable services available in the region. Since the Facility paid more to its related company than it did to all the unrelated providers of these services, the related company expenses were reduced to reflect the weighted average of the market prices paid to the unrelated providers. The Facility states it paid more for the related company's services because they were of a higher quality, and the related company was a more reliable source of these services. Although these facts were not verified per audit, in consideration of these factors, the OMIG has reduced the disallowances by reflecting the highest rate that the Facility paid to unrelated providers, rather than the weighted average of the rates paid to those providers. This approach reduced the differences between the related and unrelated companies' rates, which reduced the audit disallowances.

Disposition: The draft audit report adjustments were reduced as a result of additional information supplied by the Facility and additional review by the OMIG.

ADJUSTMENT #5 – ADJUSTMENT TO ADMINISTRATIVE AND GENERAL “ALL OTHER” SERVICES

Facility Comment

We disagree with the amounts disallowed for "All Other" A&G expenses. Our LTHHC expense does include administrative expenses that relate directly to the program; however, in addition to these directly assigned expenses there are additional indirect administrative costs such as human resources, employee health services, receiving, purchasing, etc. that are incurred by the Home. A portion of these indirect administrative costs should be allocated to the LTHHCP. These costs have been allocated to the LTHHC from the Nursing Home's Administrative cost center based on the step-down in the RHCF-4. By disallowing these costs, our total reimbursable expense is understated. We have attached additional information showing detail of the directly assigned administrative costs along with the detail of the costs from the RHCF-4 that were used in calculating the administrative costs stepped down to the LTHHCP. Note that none of the directly assigned administrative costs incorporate any of the indirect administrative costs that have been stepped down. We have also attached a worksheet showing what the actual disallowance should be for the bad debt and cash receipts assessment only.

OMIG Response

Based on information that the Facility supplied, and on additional audit analysis, the allowable A&G allocations to the LTHHCP were revised. These revisions resulted in reductions to the audit disallowances contained in the draft audit report. The A&G costs that were shown not to have been directly recorded in the LTHHCP accounts were allowed in the calculation of A&G costs allocable to the LTHHCP. However, other A&G costs that were duplicative of costs already directly recorded in the LTHHCP accounts, or that were not related to the LTHHCP, were not allowed in the allocation. The Facility was given detailed schedules of the revised A&G allocations to the LTHHCP. These schedules also included the bad debt and cash receipts assessment disallowances noted by the Facility in its comments.

Disposition: The draft audit report adjustments were reduced as a result of additional information supplied by the Facility and additional review by the OMIG.

The following adjustment was accepted by the Facility; however, revisions to adjustment #5 above impacted the amounts disallowed in this adjustment.

ADJUSTMENT #4 – ELIMINATE NONALLOWABLE ADMINISTRATIVE AND GENERAL EXPENSES

The Facility did not disagree with this adjustment, however, revisions to adjustment #5 above, based on the Facility's response to the draft audit report and additional review by the OMIG, resulted in allocation changes that impacted the amounts disallowed in this adjustment for non-allowable bad debt and New York State Revenue Assessment expenses.

Disposition: The draft audit report adjustments were revised as a result of additional information supplied by the Facility and additional review by the OMIG in conjunction with adjustment #5 above.

EXHIBIT III COMMENTS – WAIVERED SERVICES STEPDOWN BEGINNING BALANCE EXPENSE DISALLOWANCES/(ALLOWANCES)

DISALLOWANCE OF ADMINISTRATIVE AND GENERAL EXPENSE (A&G) ALLOCATION TO WAIVERED SERVICES

Facility Comment

As we reviewed the total disallowed A&G expenses from the waived services, we noted that the expenses that were disallowed related to 1) the bad debt and cash receipt assessment expenses identified in Exhibit II, adjustment #4, and 2) all other A&G disallowed expenses as noted in response to Exhibit II adjustment #5, above. We agree that the bad debt and cash receipts assessment expenses are not allowable, and based on the instructions to the LTHHC administrative/overhead costs should not be allocated to waived services. However, we do not agree with the disallowance of "all other administrative expenses" as previously noted in adjustment #5.

OMIG Response

The cost report instructions state that administrative costs should not be allocated to waived services, and the audit disallowances contained in this adjustment correctly eliminated all such costs from the waived services expenses. Therefore, the Facility's disagreement with audit disallowances to allocated A&G expenses would only apply to audit adjustments to the LTHHCP program, which was addressed above in adjustment #5 of Exhibit II.

Disposition: The draft audit report adjustment was unchanged.

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
CHANGES FROM DRAFT AUDIT REPORT TO FINAL AUDIT REPORT

EXHIBIT II - LTHHCP SERVICES STEPDOWN BEGINNING BALANCE EXPENSE DISALLOWANCES/(ALLOWANCES)	DESCRIPTION	COST CENTER	Rate Period	Draft	Change	Final
				Disallowance (Allowance)		Disallowance (Allowance)
2. ADJUSTMENTS TO CONTRACTED HHA, PCA, AND HOUSEKEEPER SERVICE						
	Home Health Aide	127	2005	\$ 2,402	\$ (2,402)	\$ -
	Housekeeper	129	2005	8,237	(8,237)	-
	Personal Care Aide	130	2005	23,278	(23,278)	-
	Home Health Aide	127	2006	7,587	(7,587)	-
	Housekeeper	129	2006	3,340	(3,340)	-
	Personal Care Aide	130	2006	10,742	(10,742)	-
	Home Health Aide	127	2007	(35,584)	35,584	-
	Housekeeper	129	2007	6,293	(6,293)	-
	Personal Care Aide	130	2007	(8,986)	8,986	-
	Home Health Aide	127	2008	64,373	(64,373)	-
	Housekeeper	129	2008	8,491	(8,491)	-
	Personal Care Aide	130	2008	45,280	(45,280)	-
3. DISALLOWANCES TO HHA, PCA, AND HOUSEKEEPER SERVICES CONTRACTED FROM A RELATED COMPANY						
	Home Health Aide	127	2006	88,678	(29,007)	59,671
	Housekeeper	129	2006	15,710	(1,588)	14,122
	Personal Care Aide	130	2006	54,083	(22,341)	31,742
	Home Health Aide	127	2007	54,296	(54,296)	-
	Housekeeper	129	2007	7,674	(5,789)	1,885
	Personal Care Aide	130	2007	27,010	(27,010)	-
	Home Health Aide	127	2008	82,619	(62,598)	20,021
	Housekeeper	129	2008	4,154	(32)	4,122
	Personal Care Aide	130	2008	23,018	(18,311)	4,707
4. ELIMINATE NON-ALLOWABLE ADMINISTRATIVE AND GENERAL EXPENSES						
	A&G	120	2005	10,392	(10,392)	-
NOTE: The Facility did not disagree with this adjustment. However, changes made in adjustment #5 below resulted in revisions to this adjustment	A&G	120	2006	73,527	(10,833)	62,694
	A&G	120	2007	96,868	(30,229)	66,639
	A&G	120	2008	173,625	(37,867)	135,758
5. ADJUSTMENT TO ADMINISTRATIVE AND GENERAL "ALL OTHER" SERVICES						
	A&G	120	2005	12,202	(12,202)	-
	A&G	120	2006	91,957	(44,585)	47,372
	A&G	120	2007	117,850	(73,517)	44,333
	A&G	120	2008	144,502	(134,796)	9,706

NOTE: The above reflects only adjustments where there were changes. Adjustments that were not revised are not shown.

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEARS JANUARY 1, 2005 THROUGH DECEMBER 31, 2008
SUMMARY OF PER DIEM IMPACT AND MEDICAID OVERPAYMENT

<u>RATE PERIOD</u>	<u>RATE CODE</u>	<u>DISCIPLINES</u>	<u>ISSUED RATE</u>	<u>FINAL RATE</u>	<u>RATE DECREASE (INCREASE)</u>	<u>MEDICAID VISITS, HOURS*, UNITS**</u>	<u>MEDICAID OVERPAYMENT (UNDERPAYMENT)</u>
<u>LTHHCP SERVICES</u>							
01/01/05 - 12/31/05	3851	Skilled Nursing	\$80.25	\$ 78.44	\$1.81	13,286	\$ 24,048
	3853	Physical Therapy	91.85	91.85	-	1,500	-
	3854	Speech Therapy	63.72	63.61	0.11	39	4
	3852	Occupational Therapy	54.04	53.83	0.21	56	12
	3871	Medical Social Services	92.50	90.35	2.15	4,117	8,852
	3868	Nutrition	63.72	62.42	1.30	150	195
	3869	Respiratory Therapy	39.14	39.14	-	23	-
	3850	Home Health Aide	25.68	25.35	0.33	106,779 *	35,237
	3855	Homemaker	28.13	28.14	(0.01)	362 *	(4)
	3856	Housekeeper	20.79	20.52	0.27	11,186 *	3,020
	3857	Personal Care Aide	22.81	22.56	0.25	33,011 *	8,253
01/01/06 - 05/31/06	3851	Skilled Nursing	\$100.65	\$ 99.82	\$0.83	5,713	\$ 4,742
	3853	Physical Therapy	97.63	97.63	-	778	-
	3854	Speech Therapy	63.91	62.46	1.45	10	15
	3852	Occupational Therapy	82.21	81.23	0.98	28	27
	3871	Medical Social Services	103.28	102.51	0.77	2,192	1,688
	3868	Nutrition	95.79	96.36	(0.57)	42	(24)
	3869	Respiratory Therapy	39.15	39.15	-	89	-
	2652	Audiology	96.26	94.05	2.21	1	2
	3850	Home Health Aide	27.11	25.04	2.07	52,696 *	109,081
	3855	Homemaker	30.83	29.04	1.79	159 *	285
	3856	Housekeeper	25.30	22.76	2.54	5,190 *	13,183
	3857	Personal Care Aide	26.78	24.85	1.93	10,421 *	20,113
06/01/06 - 12/31/06	3851	Skilled Nursing	\$108.38	\$107.49	\$0.89	7,679	\$ 6,834
	3853	Physical Therapy	105.13	105.13	-	946	-
	3854	Speech Therapy	68.82	67.26	1.56	21	33
	3852	Occupational Therapy	88.52	87.47	1.05	61	64
	3871	Medical Social Services	111.21	110.39	0.82	3,010	2,468
	3868	Nutrition	103.15	103.76	(0.61)	80	(49)
	3869	Respiratory Therapy	42.16	42.16	-	72	-
	2652	Audiology	103.65	101.28	2.37	2	5
	3850	Home Health Aide	29.19	26.96	2.23	72,911 *	162,592
	3855	Homemaker	33.19	31.27	1.92	217 *	417
	3856	Housekeeper	27.25	24.51	2.74	6,970 *	19,098
	3857	Personal Care Aide	28.84	26.75	2.09	10,634 *	22,225
01/01/07 - 03/31/07	3851	Skilled Nursing	\$111.49	\$109.78	\$1.71	3,424	\$ 5,855
	3853	Physical Therapy	107.65	107.65	-	510	-
	3854	Speech Therapy	113.09	111.21	1.88	5	9
	3852	Occupational Therapy	95.22	93.59	1.63	161	262
	3871	Medical Social Services	109.41	107.68	1.73	1,388	2,401
	3868	Nutrition	113.60	113.60	-	40	-
	3869	Respiratory Therapy	105.06	103.29	1.77	41	73
	3850	Home Health Aide	27.40	26.68	0.72	30,575 *	22,014
	3855	Homemaker	27.37	26.76	0.61	89 *	54
	3856	Housekeeper	25.27	24.47	0.80	2,893 *	2,314
	3857	Personal Care Aide	27.58	26.86	0.72	2,919 *	2,102

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEARS JANUARY 1, 2005 THROUGH DECEMBER 31, 2008
SUMMARY OF PER DIEM IMPACT AND MEDICAID OVERPAYMENT

<u>RATE PERIOD</u>	<u>RATE CODE</u>	<u>DISCIPLINES</u>	<u>ISSUED RATE</u>	<u>FINAL RATE</u>	<u>RATE DECREASE (INCREASE)</u>	<u>MEDICAID VISITS, HOURS*, UNITS**</u>	<u>MEDICAID OVERPAYMENT (UNDERPAYMENT)</u>	
04/01/07 - 06/30/07	3851	Skilled Nursing	\$108.58	\$106.91	\$1.67	3,450	\$ 5,762	
	3853	Physical Therapy	104.84	104.84	-	424	-	
	3854	Speech Therapy	110.13	108.30	1.83	11	20	
	3852	Occupational Therapy	92.73	91.14	1.59	158	251	
	3871	Medical Social Services	106.55	104.87	1.68	1,341	2,253	
	3868	Nutrition	110.63	110.63	-	7	-	
	3869	Respiratory Therapy	102.31	100.59	1.72	31	53	
	3850	Home Health Aide	26.68	25.98	0.70	32,269 *	22,588	
	3855	Homemaker	26.65	26.06	0.59	91 *	54	
	3856	Housekeeper	24.61	23.83	0.78	2,679 *	2,090	
	3857	Personal Care Aide	26.86	26.16	0.70	2,713 *	1,899	
	07/01/07 - 12/31/07	3851	Skilled Nursing	\$111.72	\$110.00	\$1.72	6,573	\$ 11,306
		3853	Physical Therapy	108.50	108.50	-	654	-
3854		Speech Therapy	113.32	111.43	1.89	24	45	
3852		Occupational Therapy	95.41	93.79	1.62	359	582	
3871		Medical Social Services	109.63	107.90	1.73	2,576	4,456	
3868		Nutrition	114.63	114.63	-	39	-	
3869		Respiratory Therapy	105.27	103.50	1.77	81	143	
3850		Home Health Aide	27.45	26.73	0.72	63,759 *	45,906	
3855		Homemaker	27.42	26.82	0.60	234 *	140	
3856		Housekeeper	25.32	24.52	0.80	5,393 *	4,314	
3857		Personal Care Aide	27.63	26.91	0.72	4,764 *	3,430	
01/01/08 - 03/31/08		3851	Skilled Nursing	\$113.65	\$111.13	\$2.52	3,080	\$ 7,762
		3853	Physical Therapy	109.68	109.68	-	446	-
	3854	Speech Therapy	113.83	113.83	-	21	-	
	3852	Occupational Therapy	102.32	102.32	-	162	-	
	3871	Medical Social Services	110.96	108.44	2.52	1,281	3,228	
	3868	Nutrition	118.04	118.04	-	37	-	
	3869	Respiratory Therapy	101.94	99.62	2.32	37	86	
	3850	Home Health Aide	30.85	29.75	1.10	29,656 *	32,622	
	3855	Homemaker	32.48	32.00	0.48	91 *	44	
	3856	Housekeeper	28.32	27.14	1.18	2,615 *	3,086	
	3857	Personal Care Aide	33.72	32.56	1.16	2,787 *	3,233	
	04/01/08 - 12/31/08	3851	Skilled Nursing	\$109.87	\$107.42	\$2.45	9,408	\$ 23,050
		3853	Physical Therapy	106.03	106.03	-	1,717	-
3854		Speech Therapy	110.04	110.04	-	69	-	
3852		Occupational Therapy	98.91	98.91	-	545	-	
3871		Medical Social Services	107.27	104.82	2.45	3,601	8,822	
3868		Nutrition	114.12	114.12	-	189	-	
3869		Respiratory Therapy	98.55	96.30	2.25	152	342	
3850		Home Health Aide	29.82	28.75	1.07	91,006 *	97,376	
3855		Homemaker	31.40	30.92	0.48	264 *	127	
3856		Housekeeper	27.38	26.22	1.16	7,397 *	8,581	
3857		Personal Care Aide	32.61	31.48	1.13	7,157 *	8,087	
TOTAL LTHHCP RATES MEDICAID OVERPAYMENT							\$ 779,238	

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEARS JANUARY 1, 2005 THROUGH DECEMBER 31, 2008
SUMMARY OF PER DIEM IMPACT AND MEDICAID OVERPAYMENT

<u>RATE PERIOD</u>	<u>RATE CODE</u>	<u>DISCIPLINES</u>	<u>ISSUED RATE</u>	<u>FINAL RATE</u>	<u>RATE DECREASE (INCREASE)</u>	<u>MEDICAID VISITS, HOURS*, UNITS**</u>	<u>MEDICAID OVERPAYMENT (UNDERPAYMENT)</u>
<u>WAIVERED SERVICES</u>							
01/01/06 - 12/31/06	3861	Home Maintenance Task Chore	\$25.29	\$ 25.29	-	2 **	\$ -
	3874	Home Delivered Meals	6.08	5.78	0.30	86,924 **	26,077
	3870	Moving Assistance Hourly	56.75	56.75	-	10 **	-
	3858	PERS Monthly	32.55	32.23	0.32	3,614 **	1,156
	3865	Respite Home Health Aide	13.61	13.61	-	3,900 *	-
	3859	Respite PCA	13.28	13.28	-	336 *	-
	3873	Social Day Care	19.25	19.25	-	38,877 **	-
01/01/07 - 12/31/07	3861	Home Maintenance Task Chore	\$25.92	\$ 25.92	-	3,216 **	-
	3874	Home Delivered Meals	5.91	5.42	0.49	78,273 **	38,354
	3870	Moving Assistance Hourly	58.16	58.16	-	15 **	-
	3858	PERS Monthly	33.36	31.69	1.67	1,522 **	2,542
	3865	Respite Home Health Aide	13.31	12.19	1.12	5,480 *	6,138
	3859	Respite PCA	13.61	12.78	0.83	276 *	229
	3873	Social Day Care	19.73	18.73	1.00	33,414 **	33,414
01/01/08 - 3/31/08	3861	Home Maintenance Task Chore	\$26.50	\$ 26.50	-	2,385 **	-
	3874	Home Delivered Meals	6.22	5.54	0.68	71,174 **	48,398
	3858	PERS Monthly	34.10	31.13	2.97	3,088 **	9,171
	3865	Respite Home Health Aide	14.25	12.79	1.46	6,318 *	9,224
	3859	Respite PCA	13.91	12.72	1.19	536 *	638
	3873	Social Day Care	20.17	19.42	0.75	30,150 **	22,613
04/01/08 - 12/31/08	3861	Home Maintenance Task Chore	\$26.20	\$ 26.20	-	2,385 **	-
	3874	Home Delivered Meals	6.17	5.49	0.68	71,174 **	48,398
	3858	PERS Monthly	33.72	30.89	2.83	3,088 **	8,739
	3865	Respite Home Health Aide	14.09	12.69	1.40	6,318 *	8,845
	3859	Respite PCA	13.75	12.62	1.13	536 *	606
	3873	Social Day Care	19.94	19.27	0.67	30,150 **	20,201
TOTAL WAIVERED SERVICES RATES MEDICAID OVERPAYMENT							\$ 284,743
TOTAL LTHHCP AND WAIVERED SERVICES MEDICAID OVERPAYMENT							\$ 1,063,981

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE PERIOD JANUARY 1, 2005 THROUGH DECEMBER 31, 2008
LTHHCP SERVICES STEPDOWN BEGINNING BALANCE EXPENSE DISALLOWANCES/(ALLOWANCES)

DESCRIPTION	COST CENTER	RATE YEARS			
		01/01/05	01/01/06	01/01/07	01/01/08
		12/31/05	12/31/06	12/31/07	12/31/08
		\$ 3,541,219	\$ 3,709,215	\$ 5,526,924	\$ 6,539,436
Administrative	120	12,936	(5,431)	2,406	7,038
Patient Assessment	122	479	(308)	166	316
Skilled Nursing	123	15,145	(7,985)	4,116	10,197
Physical Therapy	124	2,305	(1,189)	552	1,543
Speech Therapy	125	-	(9)	19	47
Occupational Therapy	126	-	(37)	16	112
Home Health Aide	127	12,237	(119)	264	760
Homemaker	128	-	-	-	-
Housekeeper	129	1,317	(9)	18	104
Personal Care Aide	130	5,300	(56)	93	312
Medical Soc. Serv.	131	3,558	(2,005)	1,300	3,892
Nutrition	132	25	(158)	78	201
Respiratory Therapy	133	-	-	7	88

Unaudited LTHHCP Stepdown Expense Beginning Balance

Less Disallowances/(Allowances):

1. ADJUSTMENT TO PENSION EXPENSES

The Facility accrued and reported pension expense each year. However, except for 2004, the reported expenses were not fully funded. Consequently, each years total pension expense was adjusted to reflect actual payments into the pension fund.

Regulations: 10 NYCRR Section 86-5.17(a), PRM-1, Sections 2142.3, 2142.6 and 2305

2. ADJUSTMENTS TO CONTRACTED HHA, PCA, AND HOUSEKEEPER SERVICE

This adjustment was eliminated based on the Facility's response to the draft audit report.

3. DISALLOWANCES TO HHA, PCA, AND HOUSEKEEPER SERVICES CONTRACTED FROM A RELATED COMPANY

Starting in 2004, the Facility began to purchase contract HHA, PCA, and Housekeeper services from a related company (Unity at Home). Regulations state that the costs of goods and services furnished by a related company should not exceed the market price of comparable services available in the region. Per audit, it was determined that the costs charged by the related company were higher than the available market rates. Consequently, the expenses charged by the related company for HHA, PCA, and Housekeeping services were reduced to reflect the market rates that the Facility paid to unrelated parties for these services. Refer to Attachment A for further explanation of this adjustment.

Regulations: 10 NYCRR Sections 86-5.17(a), 86-5.28, PRM-1 Sections 1000 through 1005

4. ELIMINATE NONALLOWABLE ADMINISTRATIVE AND GENERAL EXPENSES

Administrative and General (A&G) expenses allocated to the LTHHCP included nonallowable bad debt and New York State(NYS) Revenue Assessment expenses. Therefore, the A&G expenses allocated to the LTHHCP were reduced to reflect the elimination of these expenses. Refer to Attachment A for further explanation of this adjustment.

Regulations: 10 NYCRR Sections 86-5.17(a)&(d), Bureau of Long Term Care Reimbursement Rate Methodology, LTHHCP Cost Report Instructions

5. ADJUSTMENT TO ADMINISTRATIVE AND GENERAL "ALL OTHER" SERVICES

Parkridge Nursing Home divided A&G expenses allocated from Unity Health Systems between the nursing home and the LTHHCP. The nursing home also mistakenly allocated portions of its own A&G expenses to the LTHHCP that were entirely applicable to the nursing home's operations. To correct this error, these A&G expenses were eliminated from LTHHCP reported costs. Refer to Attachment A for further explanation of this adjustment.

Regulations: 10 NYCRR Section 86-5.17(a), PRM-1 Sections 2200 and 2300

Total Disallowance

Audited LTHHCP Stepdown Expense Beginning Balance

\$ 53,302	\$ 198,295	\$ 121,892	\$ 198,944
\$ 3,487,917	\$ 3,510,920	\$ 5,405,032	\$ 6,340,492

PARK RIDGE NURSING HOME LTHHCP WAIVERED SERVICES - AUDIT #09-4108

RATE PERIOD JANUARY 1, 2006 THROUGH DECEMBER 31, 2008

WAIVERED SERVICES STEPDOWN BEGINNING BALANCE EXPENSE DISALLOWANCES

	RATE YEARS	
	01/01/06	01/01/08
	12/31/06	12/31/08
	\$ 1,049,202	\$ 2,448,372
	\$ 2,415,611	\$ 2,448,372

Unaudited Stepdown Beginning Balance Expenses for Waivered Services
Less Disallowances/(Allowances):

DISALLOWANCE OF ADMINISTRATIVE AND GENERAL EXPENSE (A&G) ALLOCATION TO WAIVERED SERVICES

The general ledger balances for selected accounts differed from the amounts reported as Waivered services costs. Per audit, it was determined that reported Waivered services costs included allocations of A&G expense from the LTHHCP. According to the instructions for LTHHCP cost reports, A&G expenses should not be allocated to waivered services costs. Consequently, the allocated A&G expenses were eliminated from these costs.

(Note: LTHHCP A&G costs were adjusted in Exhibit II, Adjustment #5. Those adjustments incorporated the above disallowance in deriving the allowable LTHHCP A&G costs.)

Regulation: LTHHCP Cost Report Instructions

Services with Cost Based Rates:

Home Maintenance Task Chore	210	465	271
Home Delivered Meals	20,403	39,777	56,607
Moving Assistance Hourly	30	41	
PERS Monthly	6,441	9,852	15,022
Respite HHA	2,715	4,749	5,613
Respite PCA	561	588	467
Social Day Care	28,921	64,669	89,303
Cost Based Rates Total	\$ 59,281	\$ 120,141	\$ 167,283

* **Services with Non-Cost Based Rates:**

Home Maintenance Tasks-Other	43	130	748
Housing Improvement	1,691	1,744	4,790
PERS-Installation	179	531	
Social Transport	25,278	79,836	95,109
Non-Cost Based Rates Total	\$ 27,191	\$ 82,241	\$ 100,647
Total Disallowance	\$ 86,472	\$ 202,382	\$ 267,930
Audited Stepdown Beginning Balance Expenses for Waivered Services	\$ 962,730	\$ 2,213,229	\$ 2,180,442

* **Services With Non-Cost Based Rates** - The Medicaid rates for these services were not based on reported costs. Therefore, these rates were not impacted by the above audit disallowances, and are not listed under the Waivered Services rates in EXHIBIT I.

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEAR JANUARY 1, 2005 THROUGH DECEMBER 31, 2005
LTHHCP AUDIT ADJUSTMENTS, AUDITED STEPDOWN BEGINNING BALANCES,
AND AUDITED STEPDOWN

AUDIT ADJUSTMENTS AND AUDITED STEPDOWN BEGINNING BALANCES

<u>Cost Centers</u>	<u>Unaudited Stepdown Beginning Balances</u>	<u>Exhibit II Adjust. #1</u>	<u>Exhibit II Adjust. #2</u>	<u>Exhibit II Adjust. #4</u>	<u>Exhibit II Adjust. #5</u>	<u>Audited Stepdown Beginning Balances</u>
Administrative	\$ 860,271	\$ (12,936)				\$ 847,335
Patient Assessment	18,666	(479)				18,187
Nursing, General	653,165	(15,145)				638,020
PT	99,360	(2,305)				97,055
ST	466					466
OT	5,895					5,895
HH Aides	1,069,917	(12,237)				1,057,680
Homemaker	762					762
Housekeeper	117,185	(1,317)	-			115,868
Personal Care	565,066	(5,300)				559,766
Medical Social Services	149,103	(3,558)				145,545
Nutrition	1,193	(25)				1,168
Audiology	170					170
Totals	\$ 3,541,219	\$ (53,302)	\$ -	\$ -	\$ -	\$ 3,487,917

AUDITED STEPDOWN CALCULATION

<u>Cost Centers</u>	<u>Audited Stepdown Beginning Balances</u>	<u>Admin. & General</u>	<u>Patient Assessment</u>	<u>Ending Stepdown Balances</u>	<u>Recruitment & Retention & Recoveries</u>	<u>Audited Rate Sheet Totals</u>
Administrative	\$ 847,335	\$ (847,335)				
Patient Assessment	18,187	4,720	\$ (22,907)			
Nursing, General	638,020	130,290	3,542	\$ 771,852	\$ (23,024)	\$ 748,828
PT	97,055	16,255	442	113,752	(1,749)	112,003
ST	466	126	3	595	(10)	585
OT	5,895	1,920	52	7,867	(294)	7,573
HH Aides	1,057,680	387,505	10,535	1,455,720	(33,109)	1,422,611
Homemaker	762	201	5	968	(15)	953
Housekeeper	115,868	43,643	1,186	160,697	(3,980)	156,717
Personal Care	559,766	237,233	6,449	803,448	(20,578)	782,870
Medical Social Services	145,545	25,091	682	171,318	(5,211)	166,107
Nutrition	1,168	314	9	1,491	(56)	1,435
Audiology	170	38	1	209	(5)	204
Rounding		(1)	1	-		-
Totals	\$ 3,487,917	\$ -	\$ -	\$ 3,487,917	\$ (88,031)	\$ 3,399,886

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEAR JANUARY 1, 2006 THROUGH DECEMBER 31, 2006
LTHHCP AUDIT ADJUSTMENTS, AUDITED STEPDOWN BEGINNING BALANCES,
AND AUDITED STEPDOWN

AUDIT ADJUSTMENTS AND AUDITED STEPDOWN BEGINNING BALANCES

<u>Cost Centers</u>	<u>Unaudited Stepdown Beginning Balances</u>	<u>Exhibit II Adjust. #1</u>	<u>Exhibit II Adjust. #2</u>	<u>Exhibit II Adjust. #3</u>	<u>Exhibit II Adjust. #4</u>	<u>Exhibit II Adjust. #5</u>	<u>Audited Stepdown Beginning Balances</u>
Administrative	\$ 950,398	\$ 5,431			\$ (62,694)	\$ (47,372)	\$ 845,763
Patient Assessment	25,019	308					25,327
Nursing, General	709,470	7,985					717,455
PT	101,860	1,189					103,049
ST	1,270	9					1,279
OT	3,068	37					3,105
HH Aides	995,461	119		(59,671)			935,909
Homemaker	547						547
Housekeeper	145,969	9		(14,122)			131,856
Personal Care	597,633	56		(31,742)			565,947
Medical Social Services	173,163	2,005					175,168
Nutrition	5,285	158					5,443
Audiology	72						72
Totals	\$ 3,709,215	\$ 17,306	\$ -	\$ (105,535)	\$ (62,694)	\$ (47,372)	\$ 3,510,920

AUDITED STEPDOWN CALCULATION

<u>Cost Centers</u>	<u>Audited Stepdown Beginning Balances</u>	<u>Admin. & General</u>	<u>Patient Assessment</u>	<u>Ending Stepdown Balances</u>	<u>Recruitment & Retention & Recoveries</u>	<u>Audited Rate Sheet Totals</u>
Administrative	\$ 845,763	\$ (845,763)				
Patient Assessment	25,327	5,498	\$ (30,825)			
Nursing, General	717,455	119,513	4,384	\$ 841,352	\$ (19,628)	\$ 821,724
PT	103,049	15,812	580	119,441	(1,915)	117,526
ST	1,279	381	14	1,674	(37)	1,637
OT	3,105	669	25	3,799	(55)	3,744
HH Aides	935,909	386,803	14,190	1,336,902	(35,948)	1,300,954
Homemaker	547	551	20	1,118	(16)	1,102
Housekeeper	131,856	49,836	1,828	183,520	(1,308)	182,212
Personal Care	565,947	237,504	8,713	812,164	(21,197)	790,967
Medical Social Services	175,168	28,199	1,034	204,401	(5,299)	199,102
Nutrition	5,443	971	36	6,450	(5)	6,445
Audiology	72	13	-	85		85
Rounding		13	1	14		14
Totals	\$ 3,510,920	\$ -	\$ -	\$ 3,510,920	\$ (85,408)	\$ 3,425,512

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEAR JANUARY 1, 2007 THROUGH DECEMBER 31, 2007
LTHHCP AUDIT ADJUSTMENTS, AUDITED STEPDOWN BEGINNING BALANCES,
AND AUDITED STEPDOWN

AUDIT ADJUSTMENTS AND AUDITED STEPDOWN BEGINNING BALANCES

<u>Cost Centers</u>	<u>Unaudited Stepdown Beginning Balances</u>	<u>Exhibit II Adjust. #1</u>	<u>Exhibit II Adjust. #2</u>	<u>Exhibit II Adjust. #3</u>	<u>Exhibit II Adjust. #4</u>	<u>Exhibit II Adjust. #5</u>	<u>Audited Stepdown Beginning Balances</u>
Administrative	\$ 1,236,931	\$ (2,406)			\$ (66,639)	\$ (44,333)	\$ 1,123,553
Patient Assessment	41,888	(166)					41,722
Nursing, General	1,129,135	(4,116)					1,125,019
PT	147,109	(552)					146,557
ST	3,685	(19)					3,666
OT	4,653	(16)					4,637
HH Aides	1,847,166	(264)					1,846,902
Homemaker	2,012						2,012
Housekeeper	185,128	(18)		(1,885)			183,225
Personal Care	553,872	(93)					553,779
Medical Social Services	352,531	(1,300)					351,231
Nutrition	20,901	(78)					20,823
Respiratory Therapy	1,913	(7)					1,906
							-
Totals	\$ 5,526,924	\$ (9,035)	\$ -	\$ (1,885)	\$ (66,639)	\$ (44,333)	\$ 5,405,032

AUDITED STEPDOWN CALCULATION

<u>Cost Centers</u>	<u>Audited Stepdown Beginning Balances</u>	<u>Admin. & General</u>	<u>Patient Assessment</u>	<u>Ending Stepdown Balances</u>	<u>Provider's Recruitment & Retention Recoveries</u>	<u>Audited Rate Sheet Totals</u>
Administrative	\$ 1,123,553	\$ (1,123,553)				
Patient Assessment	41,722	7,200	\$ (48,922)			
Nursing, General	1,125,019	153,142	6,711	\$ 1,284,872	\$ (29,161)	\$ 1,255,711
PT	146,557	19,732	865	167,154	(4,025)	163,129
ST	3,666	495	22	4,183	(71)	4,112
OT	4,637	765	34	5,436	(88)	5,348
HH Aides	1,846,902	643,438	28,197	2,518,537	(77,187)	2,441,350
Homemaker	2,012	551	24	2,587	(91)	2,496
Housekeeper	183,225	56,789	2,489	242,503	(6,989)	235,514
Personal Care	553,779	190,637	8,354	752,770	(21,385)	731,385
Medical Social Services	351,231	48,767	2,137	402,135	(9,864)	392,271
Nutrition	20,823	1,755	77	22,655	(290)	22,365
Respiratory Therapy	1,906	281	12	2,199	(29)	2,170
Rounding		1		1		1
Totals	\$ 5,405,032	\$ -	\$ -	\$ 5,405,032	\$ (149,180)	\$ 5,255,852

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE YEAR JANUARY 1, 2008 THROUGH DECEMBER 31, 2008
LTHHCP AUDIT ADJUSTMENTS, AUDITED STEPDOWN BEGINNING BALANCES,
AND AUDITED STEPDOWN

AUDIT ADJUSTMENTS AND AUDITED STEPDOWN BEGINNING BALANCES

<u>Cost Centers</u>	<u>Unaudited Stepdown Beginning Balances</u>	<u>Exhibit II Adjust. #1</u>	<u>Exhibit II Adjust. #2</u>	<u>Exhibit II Adjust. #3</u>	<u>Exhibit II Adjust. #4</u>	<u>Exhibit II Adjust. #5</u>	<u>Audited Stepdown Beginning Balances</u>
Administrative	\$ 1,602,453	\$ (7,038)			\$ (135,758)	\$ (9,706)	\$ 1,449,951
Patient Assessment	33,985	(316)					33,669
Nursing, General	1,182,533	(10,197)					1,172,336
PT	174,664	(1,543)					173,121
ST	5,221	(47)					5,174
OT	12,397	(112)					12,285
HH Aides	2,388,268	(780)		(20,021)			2,367,467
Homemaker	9,000						9,000
Housekeeper	213,694	(104)		(4,122)			209,468
Personal Care	432,936	(312)		(4,707)			427,917
Medical Social Services	449,640	(3,892)					445,748
Nutrition	22,520	(201)					22,319
Respiratory Therapy	12,125	(88)					12,037
Totals	\$ 6,539,436	\$ (24,630)	\$ -	\$ (28,850)	\$ (135,758)	\$ (9,706)	\$ 6,340,492

AUDITED STEPDOWN CALCULATION

<u>Cost Centers</u>	<u>Audited Stepdown Beginning Balances</u>	<u>Admin. & General</u>	<u>Patient Assessment</u>	<u>Ending Stepdown Balances</u>	<u>Provider's & Retention & Recoveries</u>	<u>Audited Rate Sheet Totals</u>
Administrative	\$ 1,449,951	\$ (1,449,951)				
Patient Assessment	33,669	6,955	\$ (40,624)			
Nursing, General	1,172,336	190,583	5,365	\$ 1,368,284	\$ (37,791)	\$ 1,330,493
PT	173,121	28,156	793	202,070	(4,910)	197,160
ST	5,174	593	17	5,784	(48)	5,736
OT	12,285	1,510	42	13,837	(217)	13,620
HH Aides	2,367,467	924,124	26,016	3,317,607	(90,070)	3,227,537
Homemaker	9,000	1,483	42	10,525	(338)	10,187
Housekeeper	209,468	75,478	2,125	287,071	(8,560)	278,511
Personal Care	427,917	142,748	4,019	574,684	(15,785)	558,899
Medical Social Services	445,748	74,346	2,093	522,187	(15,685)	506,502
Nutrition	22,319	1,712	48	24,079	(354)	23,725
Respiratory Therapy	12,037	2,264	64	14,365	(192)	14,173
Rounding		(1)	-	(1)		(1)
Totals	\$ 6,340,492	\$ -	\$ -	\$ 6,340,492	\$ (173,950)	\$ 6,166,542

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE PERIOD JANUARY 1, 2006 THROUGH DECEMBER 31, 2006
WAIVERED SERVICES AUDIT ADJUSTMENTS AND AUDITED COSTS

<u>Cost Centers</u>	<u>Total Reported Costs</u>	<u>Exhibit III Audit Adjustment</u>	<u>Total Audited Costs</u>
<u>Services With Cost Based Rates:</u>			
Home Maintenance Task Chore	\$ 2,551	210	\$ 2,341
Home Delivered Meals	247,553	20,403	227,150
Moving Assistance Hourly	360	30	330
PERS Monthly	78,148	6,441	71,707
Respite HHA	32,945	2,715	30,230
Respite PCA	6,804	561	6,243
Social Day Care	350,916	28,921	321,995
Cost Based Rates Total	<u>\$ 719,277</u>	<u>\$ 59,281</u>	<u>\$ 659,996</u>
* <u>Services With Non-Cost Based Rates:</u>			
Home Maintenance Tasks-Other	\$ 519	\$ 43	\$ 476
Housing Improvement	20,513	1,691	18,822
PERS Installation	2,174	179	1,995
Social Transportation	306,719	25,278	281,441
Non-Cost Based Rates Total	<u>\$ 329,925</u>	<u>\$ 27,191</u>	<u>\$ 302,734</u>
Grand Totals	<u>\$ 1,049,202</u>	<u>\$ 86,472</u>	<u>\$ 962,730</u>

* **Services With Non-Cost Based Rates** - The Medicaid rates for these services were not based on reported costs. Therefore, these rates were not impacted by the above audit disallowances, and are not listed under the Waivered Services rates in EXHIBIT I.

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE PERIOD JANUARY 1, 2007 THROUGH DECEMBER 31, 2007
WAIVERED SERVICES AUDIT ADJUSTMENTS AND AUDITED COSTS

<u>Cost Centers</u>	<u>Total Reported Costs</u>	<u>Exhibit III Audit Adjustment</u>	<u>Total Audited Costs</u>
<u>Services With Cost Based Rates:</u>			
Home Maintenance Task Chore	\$ 5,548	\$ 465	\$ 5,083
Home Delivered Meals	474,772	39,777	434,995
Moving Assistance Hourly	489	41	448
PERS Monthly	117,587	9,852	107,735
Respite HHA	56,682	4,749	51,933
Respite PCA	7,020	588	6,432
Social Day Care	771,884	64,669	707,215
Cost Based Rates:	<u>\$ 1,433,982</u>	<u>\$ 120,141</u>	<u>\$ 1,313,841</u>
* <u>Services With Non-Cost Based Rates:</u>			
Home Maintenance Tasks-Other	\$ 1,550	\$ 130	\$ 1,420
Housing Improvement	20,815	1,744	19,071
PERS Installation	6,341	531	5,810
Social Transportation	952,923	79,836	873,087
Non-Cost Based Rates Total	<u>\$ 981,629</u>	<u>\$ 82,241</u>	<u>\$ 899,388</u>
Grand Totals	<u><u>\$ 2,415,611</u></u>	<u><u>\$ 202,382</u></u>	<u><u>\$ 2,213,229</u></u>

* **Services With Non-Cost Based Rates** - The Medicaid rates for these services were not based on reported costs. Therefore, these rates were not impacted by the above audit disallowances, and are not listed under the Waivered Services rates in EXHIBIT I.

PARK RIDGE NURSING HOME LTHHCP - AUDIT #09-4108
RATE PERIOD JANUARY 1, 2008 THROUGH DECEMBER 31, 2008
WAIVERED SERVICES AUDIT ADJUSTMENTS AND AUDITED COSTS

<u>Cost Centers</u>	<u>Total Reported Costs</u>	<u>Exhibit III Audit Adjustment</u>	<u>Total Audited Costs</u>
<u>Services With Cost Based Rates:</u>			
Home Maintenance Task Chore	\$ 5,402	\$ 271	\$ 5,131
Home Delivered Meals	517,229	56,607	460,622
Moving Assistance Hourly	-		-
PERS Monthly	122,843	15,022	107,821
Respit HHA	53,569	5,613	47,956
Respit PCA	4,460	467	3,993
Social Day Care	815,970	89,303	726,667
Cost Based Rates Total	<u>\$ 1,519,473</u>	<u>\$ 167,283</u>	<u>\$ 1,352,190</u>
* <u>Services With Non-Cost Based Rates:</u>			
Home Maintenance Tasks-Other	\$ 1,435	\$ 748	\$ 687
Housing Improvement	43,768	4,790	38,978
PERS Installation	3,183		3,183
Social Transportation	880,513	95,109	785,404
Non-Cost Based Rates Total	<u>\$ 928,899</u>	<u>\$ 100,647</u>	<u>\$ 828,252</u>
Grand Totals	<u>\$ 2,448,372</u>	<u>\$ 267,930</u>	<u>\$ 2,180,442</u>

* **Services With Non-Cost Based Rates** - The Medicaid rates for these services were not based on reported costs. Therefore, these rates were not impacted by the above audit disallowances, and are not listed under the Waivered Services rates in EXHIBIT I.