

State of South Carolina



Office of the State Auditor

1401 MAIN STREET, SUITE 1200
COLUMBIA, S.C. 29201

RICHARD H. GILBERT, JR., CPA
DEPUTY STATE AUDITOR

(803) 253-4160
FAX (803) 343-0723

November 5, 2014

Ms. Sybil L. Tyson, Reimbursement Director
Special Projects and Planning
UHS – Pruitt Corporation
Post Office Box 1210
Toccoa, Georgia 30577

Re: AC# 3-BNN-A1 – UniHealth Post Acute Care – Barnwell, LLC d/b/a
UniHealth Post Acute Care – Barnwell

Dear Ms. Tyson:

The accompanying report has been prepared by our office based on your Medicaid Financial and Statistical Report submitted to the Department of Health and Human Services for the cost report period July 9, 2010 through January 31, 2011. That report was used to set the rate covering the contract periods beginning July 9, 2010.

We are recommending that the Department of Health and Human Services certify an accounts receivable to recover amounts due as a result of the rate change shown on Exhibit A. You will be notified of repayment terms by that Agency.

Yours very truly,

A handwritten signature in black ink, appearing to read "Richard H. Gilbert, Jr.", written in a cursive style.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

RHGjr/cwc

cc: Ms. Brenda L. Hyleman
Mr. Jeff Saxon
Ms. Kathleen C. Snider
Ms. Nicole Mitchell Threat
Ms. Melissa Simmons

**UNIHEALTH POST ACUTE CARE – BARNWELL, LLC D/B/A
UNIHEALTH POST ACUTE CARE – BARNWELL
BARNWELL, SOUTH CAROLINA**

**CONTRACT PERIODS
BEGINNING JULY 9, 2010
AC# 3-BNN-A1**

**AGREED-UPON PROCEDURES REPORT
ON CONTRACT
FOR
PURCHASE OF NURSING CARE SERVICES
WITH
STATE OF SOUTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

July 30, 2014

Department of Health and Human Services
State of South Carolina
Columbia, South Carolina

We have performed the procedures enumerated below, which were agreed to by the South Carolina Department of Health and Human Services, solely to compute the rate change and related adjusted reimbursement rate to be used by the Department in determining the reimbursement settlement with UniHealth Post Acute Care – Barnwell, LLC d/b/a UniHealth Post Acute Care – Barnwell, for the contract periods beginning July 9, 2010, and for the seven month cost report period ended January 31, 2011, as set forth in the accompanying schedules. The management of UniHealth Post Acute Care – Barnwell, LLC d/b/a UniHealth Post Acute Care – Barnwell is responsible for the Financial and Statistical Report for Nursing Homes and supporting accounting and statistical records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the South Carolina Department of Health and Human Services. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. We selected costs or areas based on our analytical procedures applied to the reimbursable Medicaid program costs as shown on the Financial and Statistical Report for Nursing Homes, as filed by UniHealth Post Acute Care – Barnwell, LLC d/b/a UniHealth Post Acute Care – Barnwell, to determine if these costs were allowable as defined by the State Plan for Medicaid reimbursement purposes and supported by accounting and statistical records maintained by the Provider. Our findings as a result of these procedures are presented in the Summaries of Costs and Total Patient Days, Adjustment Report, and Cost of Capital Reimbursement Analyses sections of this report.
2. We recomputed the Computation of Reimbursement Rate using the adjusted costs and calculated the rate change in accordance with the provisions of the contracts between the South Carolina Department of Health and Human Services and UniHealth Post Acute Care – Barnwell, LLC d/b/a UniHealth Post Acute Care – Barnwell dated as of October 1, 2006 and October 1, 2011, as amended. Our findings as a result of these procedures are presented in the Computation of Rate Change and Computations of Adjusted Reimbursement Rate sections of this report.

Department of Health and Human Services
State of South Carolina
July 30, 2014

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the financial statements or a part thereof. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the South Carolina Department of Health and Human Services and is not intended to be and should not be used by anyone other than the specified party.

A handwritten signature in black ink, appearing to read "Richard H. Gilbert, Jr.", written in a cursive style.

Richard H. Gilbert, Jr., CPA
Deputy State Auditor

UNIHEALTH POST ACUTE CARE – BARNWELL
 Computation of Rate Change
 For the Contract Periods
 Beginning July 9, 2010
 AC# 3-BNN-A1

	<u>07/09/10-</u> <u>09/30/10</u>	<u>10/01/10-</u> <u>01/31/11</u>	<u>02/01/11-</u> <u>04/07/11</u>	<u>04/08/11-</u> <u>10/31/11</u>	<u>11/01/11-</u> <u>09/30/12</u>
Interim Reimbursement Rate (1)	\$177.20	\$188.55	\$192.06	\$186.30	\$181.07
Adjusted Reimbursement Rate	<u>174.94</u>	<u>184.62</u>	<u>188.05</u>	<u>182.41</u>	<u>178.87</u>
Decrease in Reimbursement Rate	<u>\$ 2.26</u>	<u>\$ 3.93</u>	<u>\$ 4.01</u>	<u>\$ 3.89</u>	<u>\$ 2.20</u>

(1) Interim reimbursement rate from the South Carolina Medicaid Management Information System (MMIS) Provider Rate Listing dated January 21, 2014.

UNIHEALTH POST ACUTE CARE – BARNWELL
 Computation of Adjusted Reimbursement Rate
 For the Contract Period July 9, 2010 Through September 30, 2010
 AC# 3-BNN-A1

	<u>Incentives</u>	<u>Allowable Cost</u>	<u>Cost Standard</u>	<u>Computed Rate</u>
<u>Costs Subject to Standards:</u>				
General Services		\$ 89.31	\$ 87.54	
Dietary		18.48	16.45	
Laundry/Housekeeping/Maintenance		<u>18.85</u>	<u>14.83</u>	
Subtotal	\$ <u>-</u>	126.64	118.82	\$118.82
Administration & Medical Records	\$ <u>-</u>	<u>31.01</u>	<u>25.60</u>	<u>25.60</u>
Subtotal		157.65	<u>\$144.42</u>	144.42
<u>Costs Not Subject to Standards:</u>				
Utilities		5.41		5.41
Special Services		.27		.27
Medical Supplies & Oxygen		5.93		5.93
Taxes and Insurance		7.09		7.09
Legal Fees		<u>.41</u>		<u>.41</u>
TOTAL		<u>\$176.76</u>		163.53
Inflation Factor (N/A)				-
Cost of Capital				11.41
Cost of Capital Limitation				-
Profit Incentive (Maximum 3.5% of Allowable Cost)				-
Cost Incentive				-
Effect of \$1.75 Cap on Cost/Profit Incentives				<u>-</u>
ADJUSTED REIMBURSEMENT RATE				<u>\$174.94</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Computation of Adjusted Reimbursement Rate
 For the Contract Period October 1, 2010 Through January 31, 2011
 AC# 3-BNN-A1

	<u>Incentives</u>	<u>Allowable Cost</u>	<u>Cost Standard</u>	<u>Computed Rate</u>
<u>Costs Subject to Standards:</u>				
General Services		\$ 89.31	\$ 98.22	
Dietary		18.48	16.72	
Laundry/Housekeeping/Maintenance		<u>18.85</u>	<u>15.73</u>	
Subtotal	\$ <u>4.03</u>	126.64	130.67	\$126.64
Administration & Medical Records	\$ <u>-</u>	<u>31.01</u>	<u>25.88</u>	<u>25.88</u>
Subtotal		157.65	<u>\$156.55</u>	152.52
<u>Costs Not Subject to Standards:</u>				
Utilities		5.41		5.41
Special Services		.27		.27
Medical Supplies & Oxygen		5.93		5.93
Taxes and Insurance		7.09		7.09
Legal Fees		<u>.41</u>		<u>.41</u>
TOTAL		<u>\$176.76</u>		171.63
Inflation Factor (N/A)				-
Cost of Capital				11.24
Cost of Capital Limitation				-
Profit Incentive (Maximum 3.5% of Allowable Cost)				-
Cost Incentive				4.03
Effect of \$1.75 Cap on Cost/Profit Incentives				<u>(2.28)</u>
ADJUSTED REIMBURSEMENT RATE				<u>\$184.62</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Computation of Adjusted Reimbursement Rate
 For the Contract Period February 1, 2011 Through April 7, 2011
 AC# 3-BNN-A1

	<u>Incentives</u>	<u>Allowable Cost</u>	<u>Cost Standard</u>	<u>Computed Rate</u>
<u>Costs Subject to Standards:</u>				
General Services		\$ 89.31	\$ 98.22	
Dietary		18.48	16.72	
Laundry/Housekeeping/Maintenance		<u>18.85</u>	<u>15.73</u>	
Subtotal	\$ <u>4.03</u>	126.64	130.67	\$126.64
Administration & Medical Records	\$ <u>-</u>	<u>31.01</u>	<u>25.88</u>	<u>25.88</u>
Subtotal		157.65	<u>\$156.55</u>	152.52
<u>Costs Not Subject to Standards:</u>				
Utilities		5.41		5.41
Special Services		.27		.27
Medical Supplies & Oxygen		5.93		5.93
Taxes and Insurance		7.09		7.09
Legal Fees		<u>.41</u>		<u>.41</u>
TOTAL		<u>\$176.76</u>		171.63
Inflation Factor (2.00%)				3.43
Cost of Capital				11.24
Cost of Capital Limitation				-
Profit Incentive (Maximum 3.5% of Allowable Cost)				-
Cost Incentive				4.03
Effect of \$1.75 Cap on Cost/Profit Incentives				<u>(2.28)</u>
ADJUSTED REIMBURSEMENT RATE				<u>\$188.05</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Computation of Adjusted Reimbursement Rate
 For the Contract Period April 8, 2011 Through October 31, 2011
 AC# 3-BNN-A1

	<u>Incentives</u>	<u>Allowable Cost</u>	<u>Cost Standard</u>	<u>Computed Rate</u>
<u>Costs Subject to Standards:</u>				
General Services		\$ 89.31	\$ 98.22	
Dietary		18.48	16.72	
Laundry/Housekeeping/Maintenance		<u>18.85</u>	<u>15.73</u>	
Subtotal	\$ <u>4.03</u>	126.64	130.67	\$126.64
Administration & Medical Records	\$ <u>-</u>	<u>31.01</u>	<u>25.88</u>	<u>25.88</u>
Subtotal		157.65	<u>\$156.55</u>	152.52
<u>Costs Not Subject to Standards:</u>				
Utilities		5.41		5.41
Special Services		.27		.27
Medical Supplies & Oxygen		5.93		5.93
Taxes and Insurance		7.09		7.09
Legal Fees		<u>.41</u>		<u>.41</u>
TOTAL		<u>\$176.76</u>		171.63
Inflation Factor (2.00%)				3.43
Cost of Capital				11.24
Cost of Capital Limitation				-
Profit Incentive (Maximum 3.5% of Allowable Cost)				-
Cost Incentive				4.03
Effect of \$1.75 Cap on Cost/Profit Incentives				(2.28)
Effect of 3% Rate Reduction				<u>(5.64)</u>
ADJUSTED REIMBURSEMENT RATE				<u>\$182.41</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Computation of Adjusted Reimbursement Rate
 For the Contract Period November 1, 2011 Through September 30, 2012
 AC# 3-BNN-A1

	<u>Incentives</u>	<u>Allowable Cost</u>	<u>Cost Standard</u>	<u>Computed Rate</u>
<u>Costs Subject to Standards:</u>				
General Services		\$ 89.31	\$ 95.80	
Dietary		18.48	16.72	
Laundry/Housekeeping/Maintenance		<u>18.85</u>	<u>15.78</u>	
Subtotal	\$ <u>1.66</u>	126.64	128.30	\$126.64
Administration & Medical Records	\$ <u>-</u>	<u>31.01</u>	<u>25.92</u>	<u>25.92</u>
Subtotal		157.65	<u>\$154.22</u>	152.56
<u>Costs Not Subject to Standards:</u>				
Utilities		5.41		5.41
Special Services		.27		.27
Medical Supplies & Oxygen		5.93		5.93
Taxes and Insurance		7.09		7.09
Legal Fees		<u>.41</u>		<u>.41</u>
TOTAL		<u>\$176.76</u>		171.67
Inflation Factor (N/A)				-
Cost of Capital				11.11
Cost of Capital Limitation				-
Profit Incentive (Maximum 3.5% of Allowable Cost)				-
Cost Incentive				1.66
Effect of \$1.75 Cap on Cost/Profit Incentives				-
Budget Neutrality Adjustment (3.02%)				<u>(5.57)</u>
ADJUSTED REIMBURSEMENT RATE				<u>\$178.87</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Summary of Costs and Total Patient Days
 For the Cost Report Period Ended January 31, 2011
 For the Contract Period July 9, 2010 Through September 30, 2010
 AC# 3-BNN-A1

<u>Expenses</u>	Totals (From Schedule SC 13) as <u>Adjusted by DH&HS</u>	Adjustments		<u>Adjusted Totals</u>
		<u>Debit</u>	<u>Credit</u>	
General Services	\$805,367	\$ 2,180 (3) 179 (3) 3,956 (5)	\$24,306 (2) 6,078 (7) 369 (7)	\$780,929
Dietary	152,807	7,564 (2) 1,523 (3) 454 (5)	802 (7)	161,546
Laundry	17,402	57 (3) 75 (5)	116 (7)	17,418
Housekeeping	86,836	334 (3)	637 (7)	86,533
Maintenance	59,401	1,632 (3)	117 (7)	60,916
Administration & Medical Records	272,453	4,548 (2) 13 (5) 274 (5)	5,248 (3) 881 (7)	271,159
Utilities	47,321	-	-	47,321
Special Services	4,305	13,851 (8)	15,798 (9)	2,358
Medical Supplies & Oxygen	56,898	-	5,068 (5)	51,830
Taxes and Insurance	74,973	-	12,983 (4)	61,990

UNIHEALTH POST ACUTE CARE – BARNWELL
Summary of Costs and Total Patient Days
For the Cost Report Period Ended January 31, 2011
For the Contract Period July 9, 2010 Through September 30, 2010
AC# 3-BNN-A1

<u>Expenses</u>	Totals (From Schedule SC 13) as <u>Adjusted by DH&HS</u>	Adjustments <u>Debit</u>	<u>Credit</u>	<u>Adjusted Totals</u>
Legal Fees	3,608	-	-	3,608
Cost of Capital	99,571	432 (10) <u>902 (11)</u>	1,155 (1) <u> </u>	99,750 <u> </u>
Subtotal	1,680,942	37,974	73,558	1,645,358
Ancillary	68,479	296 (5)	-	68,775
Nonallowable	384,210	1,155 (1) 12,194 (2) 12,983 (4) 9,000 (7) 15,798 (9)	657 (3) 13,851 (8) 432 (10) 902 (11)	419,498
CNA Training and Testing	<u>168</u>	<u>-</u>	<u>-</u>	<u>168</u>
Total Operating Expenses	<u>\$2,133,799</u>	<u>\$89,400</u>	<u>\$89,400</u>	<u>\$2,133,799</u>
Total Patient Days	<u>8,744</u>	<u>-</u>	<u>-</u>	<u>8,744</u>
Total Beds	<u>44</u>			

UNIHEALTH POST ACUTE CARE – BARNWELL
 Summary of Costs and Total Patient Days
 For the Cost Report Period Ended January 31, 2011
 For the Contract Periods October 1, 2010 Through October 31, 2011
 AC# 3-BNN-A1

<u>Expenses</u>	Totals (From Schedule SC 13) as <u>Adjusted by DH&HS</u>	Adjustments		<u>Adjusted Totals</u>
		<u>Debit</u>	<u>Credit</u>	
General Services	\$805,367	\$ 2,180 (3) 179 (3) 3,956 (5)	\$24,306 (2) 6,078 (7) 369 (7)	\$780,929
Dietary	152,807	7,564 (2) 1,523 (3) 454 (5)	802 (7)	161,546
Laundry	17,402	57 (3) 75 (5)	116 (7)	17,418
Housekeeping	86,836	334 (3)	637 (7)	86,533
Maintenance	59,401	1,632 (3)	117 (7)	60,916
Administration & Medical Records	272,453	4,548 (2) 13 (5) 274 (5)	5,248 (3) 881 (7)	271,159
Utilities	47,321	-	-	47,321
Special Services	4,305	13,851 (8)	15,798 (9)	2,358
Medical Supplies & Oxygen	56,898	-	5,068 (5)	51,830
Taxes and Insurance	74,973	-	12,983 (4)	61,990

UNIHEALTH POST ACUTE CARE – BARNWELL
Summary of Costs and Total Patient Days
For the Cost Report Period Ended January 31, 2011
For the Contract Periods October 1, 2010 Through October 31, 2011
AC# 3-BNN-A1

<u>Expenses</u>	Totals (From Schedule SC 13) as Adjusted by DH&HS	Adjustments <u>Debit</u>	<u>Credit</u>	Adjusted <u>Totals</u>
Legal Fees	3,608	-	-	3,608
Cost of Capital	98,161	432 (10) <u>843 (12)</u>	1,155 (1) <u> </u>	98,281 <u> </u>
Subtotal	1,679,532	37,915	73,558	1,643,889
Ancillary	68,479	296 (5)	-	68,775
Nonallowable	385,620	1,155 (1) 12,194 (2) 12,983 (4) 9,000 (7) 15,798 (9)	657 (3) 13,851 (8) 432 (10) 843 (12)	420,967
CNA Training and Testing	<u>168</u>	<u>-</u>	<u>-</u>	<u>168</u>
Total Operating Expenses	<u>\$2,133,799</u>	<u>\$89,341</u>	<u>\$89,341</u>	<u>\$2,133,799</u>
Total Patient Days	<u>8,744</u>	<u>-</u>	<u>-</u>	<u>8,744</u>
Total Beds	<u>44</u>			

UNIHEALTH POST ACUTE CARE – BARNWELL
 Summary of Costs and Total Patient Days
 For the Cost Report Period Ended January 31, 2011
 For the Contract Period November 1, 2011 Through September 30, 2012
 AC# 3-BNN-A1

<u>Expenses</u>	Totals (From Schedule SC 13) as <u>Adjusted by DH&HS</u>	Adjustments		<u>Adjusted Totals</u>
		<u>Debit</u>	<u>Credit</u>	
General Services	\$805,367	\$ 2,180 (3) 179 (3) 3,956 (5)	\$24,306 (2) 6,078 (7) 369 (7)	\$780,929
Dietary	152,807	7,564 (2) 1,523 (3) 454 (5)	802 (7)	161,546
Laundry	17,402	57 (3) 75 (5)	116 (7)	17,418
Housekeeping	86,836	334 (3)	637 (7)	86,533
Maintenance	59,401	1,632 (3)	117 (7)	60,916
Administration & Medical Records	272,453	4,548 (2) 13 (5) 274 (5)	5,248 (3) 881 (7)	271,159
Utilities	47,321	-	-	47,321
Special Services	4,305	13,851 (8)	15,798 (9)	2,358
Medical Supplies & Oxygen	56,898	-	5,068 (5)	51,830
Taxes and Insurance	74,973	-	12,983 (4)	61,990

UNIHEALTH POST ACUTE CARE – BARNWELL
 Summary of Costs and Total Patient Days
 For the Cost Report Period Ended January 31, 2011
 For the Contract Period November 1, 2011 Through September 30, 2012
 AC# 3-BNN-A1

<u>Expenses</u>	Totals (From Schedule SC 13) as <u>Adjusted by DH&HS</u>	<u>Debit</u>	Adjustments <u>Credit</u>	<u>Adjusted Totals</u>
Legal Fees	3,608	-	-	3,608
Cost of Capital	97,032	805 (6)	1,155 (1)	97,114
		<u>432 (10)</u>		
Subtotal	1,678,403	37,877	73,558	1,642,722
Ancillary	68,479	296 (5)	-	68,775
Nonallowable	386,749	1,155 (1)	657 (3)	422,134
		12,194 (2)	805 (6)	
		12,983 (4)	13,851 (8)	
		9,000 (7)	432 (10)	
		15,798 (9)		
CNA Training and Testing	<u>168</u>	<u>-</u>	<u>-</u>	<u>168</u>
Total Operating Expenses	<u>\$2,133,799</u>	<u>\$89,303</u>	<u>\$89,303</u>	<u>\$2,133,799</u>
Total Patient Days	<u>8,744</u>	<u>-</u>	<u>-</u>	<u>8,744</u>
Total Beds	<u>44</u>			

UNIHEALTH POST ACUTE CARE – BARNWELL
Adjustment Report
Cost Report Period Ended January 31, 2011
AC# 3-BNN-A1

<u>ADJUSTMENT NUMBER</u>	<u>ACCOUNT TITLE</u>	<u>DEBIT</u>	<u>CREDIT</u>
1	Fixed Assets	\$19,808	
	Nonallowable	1,155	
	Accumulated Depreciation	71,308	
	Other Equity		\$91,116
	Cost of Capital		1,155
	To adjust fixed assets and related depreciation HIM-15-1, Section 2304 State Plan, Attachment 4.19D		
2	Dietary	7,564	
	Administration	4,548	
	Nonallowable	12,194	
	Nursing		24,306
	To adjust related party United Clinical expense HIM-15-1, Section 2304 State Plan, Attachment 4.19D		
3	Nursing	2,180	
	Restorative	179	
	Dietary	1,523	
	Laundry	57	
	Housekeeping	334	
	Maintenance	1,632	
	Administration		5,248
	Nonallowable		657
	To properly charge expenses applicable to the prior period and properly charge current period expenses reported in a subsequent period HIM-15-1, Section 2302.1		
4	Nonallowable	12,983	
	Taxes and Insurance		12,983
	To adjust property taxes HIM-15-1, Sections 2302.1 and 2304		

UNIHEALTH POST ACUTE CARE – BARNWELL
Adjustment Report
Cost Report Period Ended January 31, 2011
AC# 3-BNN-A1

<u>ADJUSTMENT NUMBER</u>	<u>ACCOUNT TITLE</u>	<u>DEBIT</u>	<u>CREDIT</u>
5	Nursing	3,956	
	Dietary	454	
	Laundry	75	
	Administration	13	
	Medical Records	274	
	Ancillary	296	
	Medical Supplies & Oxygen		5,068
	To properly classify expenses DH&HS Expense Crosswalk		
6	Cost of Capital	805	
	Nonallowable		805
	To adjust capital return State Plan, Attachment 4.19D		
	(This adjustment applies only to the rate period 11/01/11 - 09/30/12)		
7	Nonallowable	9,000	
	Nursing		6,078
	Restorative		369
	Dietary		802
	Laundry		116
	Housekeeping		637
	Maintenance		117
	Administration		881
	To adjust fringe benefits and related allocation HIM-15-1, Section 2304 State Plan, Attachment 4.19D		
8	Special Services - Therapy	13,851	
	Nonallowable		13,851
	To adjust related party United Rehab expense HIM-15-1, Section 2304 State Plan, Attachment 4.19D		

UNIHEALTH POST ACUTE CARE – BARNWELL
Adjustment Report
Cost Report Period Ended January 31, 2011
AC# 3-BNN-A1

<u>ADJUSTMENT NUMBER</u>	<u>ACCOUNT TITLE</u>	<u>DEBIT</u>	<u>CREDIT</u>
9	Nonallowable Special Services	15,798	15,798
	To remove special (ancillary) services reimbursed by Medicare State Plan, Attachment 4.19D		
10	Cost of Capital Nonallowable	432	432
	To adjust depreciation expense to comply with capital cost policy State Plan, Attachment 4.19D		
11	Cost of Capital Nonallowable	902	902
	To adjust capital return State Plan, Attachment 4.19D		
	(This adjustment applies only to the rate period 07/09/10 - 09/30/10)		
12	Cost of Capital Nonallowable	843	843
	To adjust capital return State Plan, Attachment 4.19D		
	(This adjustment applies only to the rate periods 10/01/10 - 10/31/11)		
	TOTAL ADJUSTMENTS	<u>\$182,164</u>	<u>\$182,164</u>

Due to the nature of compliance reporting, adjustment descriptions and references contained in the preceding Adjustment Report are provided for general guidance only and are not intended to be all-inclusive.

UNIHEALTH POST ACUTE CARE – BARNWELL
 Cost of Capital Reimbursement Analysis
 For the Cost Report Period Ended January 31, 2011
 For the Contract Period July 9, 2010 Through September 30, 2010
 AC# 3-BNN-A1

Original Asset Cost (Per Bed)	\$ 15,618
Inflation Adjustment	<u>3.03131</u>
Deemed Asset Value (Per Bed)	47,343
Number of Beds	<u>44</u>
Deemed Asset Value	2,083,092
Improvements Since 1981	30,666
Accumulated Depreciation at 1/31/11	<u>(515,529)</u>
Deemed Depreciated Value	1,598,229
Market Rate of Return	<u>.0471</u>
Total Annual Return	75,277
Number of Days in Period	<u>207/365</u>
Adjusted Annual Return	42,691
Return Applicable to Non-Reimbursable Cost Centers	-
Allocation of Interest to Non-Reimbursable Cost Centers	<u>-</u>
Allowable Annual Return	42,691
Depreciation Expense	57,233
Amortization Expense	-
Capital Related Income Offsets	(174)
Allocation of Capital Expenses to Non-Reimbursable Cost Centers	<u>-</u>
Allowable Cost of Capital Expense	99,750
Total Patient Days (Minimum 96% Occupancy)	<u>8,744</u>
Cost of Capital Per Diem	<u>\$ 11.41</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
Cost of Capital Reimbursement Analysis
For the Cost Report Period Ended January 31, 2011
For the Contract Period July 9, 2010 Through September 30, 2010
AC# 3-BNN-A1

6/30/89 Cost of Capital and Return on Equity Capital Per Diem Reimbursement	\$ N/A
Adjustment for Maximum Increase	<u>N/A</u>
Maximum Cost of Capital Per Diem	<u>\$11.41</u>
Reimbursable Cost of Capital Per Diem	\$11.41
Cost of Capital Per Diem	<u>11.41</u>
Cost of Capital Per Diem Limitation	<u>\$ -</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Cost of Capital Reimbursement Analysis
 For the Cost Report Period Ended January 31, 2011
 For the Contract Periods October 1, 2010 Through October 31, 2011
 AC# 3-BNN-A1

Original Asset Cost (Per Bed)	\$ 15,618
Inflation Adjustment	<u>3.10948</u>
Deemed Asset Value (Per Bed)	48,564
Number of Beds	<u>44</u>
Deemed Asset Value	2,136,816
Improvements Since 1981	30,666
Accumulated Depreciation at 1/31/11	<u>(515,529)</u>
Deemed Depreciated Value	1,651,953
Market Rate of Return	<u>.0440</u>
Total Annual Return	72,686
Number of Days in Period	<u>207/365</u>
Adjusted Annual Return	41,222
Return Applicable to Non-Reimbursable Cost Centers	-
Allocation of Interest to Non-Reimbursable Cost Centers	<u>-</u>
Allowable Annual Return	41,222
Depreciation Expense	57,233
Amortization Expense	-
Capital Related Income Offsets	(174)
Allocation of Capital Expenses to Non-Reimbursable Cost Centers	<u>-</u>
Allowable Cost of Capital Expense	98,281
Total Patient Days (Minimum 96% Occupancy)	<u>8,744</u>
Cost of Capital Per Diem	\$ <u><u>11.24</u></u>

UNIHEALTH POST ACUTE CARE – BARNWELL
Cost of Capital Reimbursement Analysis
For the Cost Report Period Ended January 31, 2011
For the Contract Periods October 1, 2010 Through October 31, 2011
AC# 3-BNN-A1

6/30/89 Cost of Capital and Return on Equity Capital Per Diem Reimbursement	\$ N/A
Adjustment for Maximum Increase	<u>N/A</u>
Maximum Cost of Capital Per Diem	<u>\$11.24</u>
Reimbursable Cost of Capital Per Diem	\$11.24
Cost of Capital Per Diem	<u>11.24</u>
Cost of Capital Per Diem Limitation	<u>\$ -</u>

UNIHEALTH POST ACUTE CARE – BARNWELL
 Cost of Capital Reimbursement Analysis
 For the Cost Report Period Ended January 31, 2011
 For the Contract Period November 1, 2011 Through September 30, 2012
 AC# 3-BNN-A1

Original Asset Cost (Per Bed)	\$ 15,618
Inflation Adjustment	<u>3.15264</u>
Deemed Asset Value (Per Bed)	49,238
Number of Beds	<u>44</u>
Deemed Asset Value	2,166,472
Improvements Since 1981	30,666
Accumulated Depreciation at 1/31/11	<u>(515,529)</u>
Deemed Depreciated Value	1,681,609
Market Rate of Return	<u>.0420</u>
Total Annual Return	70,628
Number of Days in Period	<u>207/365</u>
Adjusted Annual Return	40,055
Return Applicable to Non-Reimbursable Cost Centers	-
Allocation of Interest to Non-Reimbursable Cost Centers	<u>-</u>
Allowable Annual Return	40,055
Depreciation Expense	57,233
Amortization Expense	-
Capital Related Income Offsets	(174)
Allocation of Capital Expenses to Non-Reimbursable Cost Centers	<u>-</u>
Allowable Cost of Capital Expense	97,114
Total Patient Days (Minimum 96% Occupancy)	<u>8,744</u>
Cost of Capital Per Diem	\$ <u><u>11.11</u></u>

UNIHEALTH POST ACUTE CARE – BARNWELL
Cost of Capital Reimbursement Analysis
For the Cost Report Period Ended January 31, 2011
For the Contract Period November 1, 2011 Through September 30, 2012
AC# 3-BNN-A1

6/30/89 Cost of Capital and Return on Equity Capital Per Diem Reimbursement	\$ N/A
Adjustment for Maximum Increase	<u>N/A</u>
Maximum Cost of Capital Per Diem	<u><u>\$11.11</u></u>
Reimbursable Cost of Capital Per Diem	\$11.11
Cost of Capital Per Diem	<u>11.11</u>
Cost of Capital Per Diem Limitation	<u>\$ -</u>

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