

STATE OF FLORIDA  
AGENCY FOR HEALTH CARE ADMINISTRATION 2015 NOV 12 P 12:19

THE HEALTH CENTER OF STUART,  
INC. d/b/a PARKWAY HEALTH AND  
REHABILITATION CENTER,

Petitioner,

vs.

CASE NO: 05-4672  
ENGAGEMENT No: NH04-203J  
PROVIDER No.: 228885  
RENDITION NO.: AHCA-15-0691 -S-MDA

STATE OF FLORIDA, AGENCY FOR  
HEALTH CARE ADMINISTRATION,

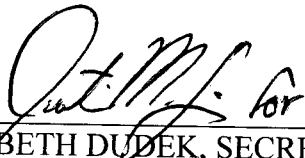
Respondent.

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**FINAL ORDER**

THE PARTIES resolved all disputed issues and executed a Settlement Agreement. The parties are directed to comply with the terms of the attached settlement agreement, attached hereto and incorporated herein as **Exhibit "1."** Based on the foregoing, this file is **CLOSED**.

DONE and ORDERED on this the 9<sup>th</sup> day of November, 2015, in Tallahassee, Florida.

  
\_\_\_\_\_  
ELIZABETH DUDEK, SECRETARY  
Agency for Health Care Administration

**A PARTY WHO IS ADVERSELY AFFECTED BY THIS FINAL ORDER IS ENTITLED TO A JUDICIAL REVIEW WHICH SHALL BE INSTITUTED BY FILING ONE COPY OF A NOTICE OF APPEAL WITH THE AGENCY CLERK OF AHCA, AND A SECOND COPY ALONG WITH FILING FEE AS PRESCRIBED BY LAW, WITH THE DISTRICT COURT OF APPEAL IN THE APPELLATE DISTRICT WHERE THE AGENCY MAINTAINS ITS HEADQUARTERS OR WHERE A PARTY RESIDES. REVIEW PROCEEDINGS SHALL BE CONDUCTED IN ACCORDANCE WITH THE FLORIDA APPELLATE RULES. THE NOTICE OF APPEAL MUST BE FILED WITHIN 30 DAYS OF RENDITION OF THE ORDER TO BE REVIEWED.**

Michael J. Bittman, Esquire  
Broad and Cassel  
P.O. Box 4961  
Orlando, Florida 32802-4961  
(Via U.S. Mail)

Agency for Health Care Administration  
Bureau of Finance and Accounting  
(Interoffice Mail)

Bureau of Health Quality Assurance  
Agency for Health Care Administration  
(Interoffice Mail)

Stuart Williams, General Counsel  
Agency for Health Care Administration  
(Interoffice Mail)

Zainab Day, Medicaid Audit Services  
Agency for Health Care Administration  
(Interoffice Mail)

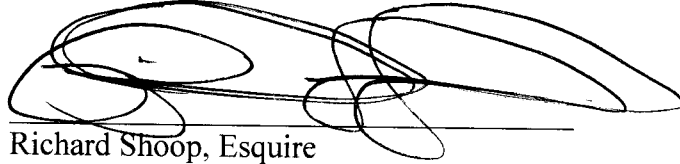
Shena Grantham, Chief  
Medicaid FFS Counsel  
(Interoffice Mail)

Willis F. Melvin, Esquire  
Assistant General Counsel  
Agency for Health Care Administration  
(Via Interoffice Mail)

State of Florida, Division of Administrative  
Hearings  
The Desoto Building  
1230 Apalachee Parkway  
Tallahassee, Florida 32399-3060  
(Via U.S. Mail)

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the above named addressees by U.S. Mail on this the 12<sup>th</sup> day of November, 2015.



Richard Shoop, Esquire  
Agency Clerk  
State of Florida  
Agency for Health Care Administration  
2727 Mahan Drive, Building #3  
Tallahassee, Florida 32308-5403

**STATE OF FLORIDA  
AGENCY FOR HEALTH CARE ADMINISTRATION**

**THE HEALTH CENTER OF STUART,  
INC. d/b/a PARKWAY HEALTH AND  
REHABILITATION CENTER,**

**Petitioner,**

vs.

**Engagement No.: NH04-203J  
Provider No.: 228885**

**STATE OF FLORIDA, AGENCY FOR  
HEALTH CARE ADMINISTRATION,**

**Respondent.**

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**SETTLEMENT AGREEMENT**

Respondent, **STATE OF FLORIDA, AGENCY FOR HEALTH CARE ADMINISTRATION** (“AHCA” or “the Agency”), and Petitioner, **THE HEALTH CENTER OF STUART, INC. d/b/a PARKWAY HEALTH AND REHABILITATION CENTER,** (“PROVIDER”), by and through the undersigned, hereby stipulate and agree as follows:

1. This Agreement is entered into between the parties to resolve disputed issues arising from examination engagements NH04-203J.
2. At the time of the audit the PROVIDER was a Medicaid provider in the State of Florida operating a nursing home facility that was examined by the Agency.
3. AHCA conducted an examination of the PROVIDER’s cost report as follows: for examination engagement number NH04-203J, AHCA examined the PROVIDER’s cost report covering the examination period ending on March 31, 2002.

4. In its subsequent Examination Report, AHCA notified the PROVIDER that Medicaid reimbursement principles required adjustment of the costs stated in the cost report. The Agency further notified the PROVIDER of the adjustments AHCA was making to the cost report. The Examination Report is attached hereto and incorporated herein as **Exhibit A**.

5. In response to AHCA's Examination Report, the PROVIDER filed a timely petition for administrative hearing, and identified specific adjustments that it appealed. The PROVIDER requested that the Agency hold the petition in abeyance in order to afford the parties an opportunity to resolve the disputed adjustments.

6. Subsequent to the petition for administrative hearing, AHCA and the PROVIDER exchanged documents and discussed the disputed adjustments. As a result of the aforementioned exchanges, the parties agree to accept all of the Agency's adjustments that were subject to these proceedings as set forth in the Examination Report, except for the following adjustments which the parties agree shall be changed or removed as set forth in the attached **Exhibit B**, which is hereby incorporated into this Settlement Agreement by reference.

7. In order to resolve this matter without further administrative proceedings, and to avoid incurring further costs, PROVIDER and AHCA expressly agree the adjustment resolutions, which are listed and incorporated by reference as **Exhibit B** above, completely resolve and settle this case and this agreement constitutes the PROVIDER'S withdrawal of their petition for administrative hearing, with prejudice.

8. After issuance of the Final Order, PROVIDER and AHCA further agree that the Agency shall recalculate the per diem rates for the above-stated examination period and issue a notice of the recalculation. Where the PROVIDER was overpaid, the PROVIDER will reimburse the Agency the full amount of the overpayment within thirty (30) days of such notice.

Where the PROVIDER was underpaid, AHCA will pay the PROVIDER the full amount of the underpayment within forty-five (45) days of such notice.

Payment shall be made to:  
AGENCY FOR HEALTH CARE ADMINISTRATION  
Medicaid Accounts Receivable – MS #14  
2727 Mahan Drive, Building 2, Suite 200  
Tallahassee, Florida 32308

Notice to the PROVIDER shall be made to:

Michael J. Bittman, Esquire  
Broad and Cassel  
P.O. Box 4961  
Orlando, Florida 32802-4961

9. Payment shall clearly indicate it is pursuant to a settlement agreement and shall reference the audit/engagement number.
10. PROVIDER agrees that failure to pay any monies due and owing under the terms of this Agreement shall constitute PROVIDER's authorization for the Agency, without further notice, to withhold the total remaining amount due under the terms of this agreement from any monies due and owing to the PROVIDER for any Medicaid claims.
11. The parties are entitled to enforce this Agreement under the laws of the State of Florida, the Rules of the Medicaid Program, and all other applicable law.
12. This settlement does not constitute an admission of wrongdoing or error by the parties with respect to this case or any other matter.
13. Each party shall bear their respective attorneys' fees and costs, if any.
14. The signatories to this Agreement, acting in their representative capacities, are duly authorized to enter into this Agreement on behalf of the party represented.
15. The parties further agree a facsimile or photocopy reproduction of this Agreement shall be sufficient for the parties to enforce the Agreement. The PROVIDER agrees, however, to

forward a copy of this Agreement to AHCA with original signatures, and understands that a Final Order may not be issued until said original Agreement is received by AHCA.

16. This Agreement shall be construed in accordance with the provisions of the laws of Florida. Venue for any action arising from this Agreement shall be in Leon County, Florida.

17. This Agreement constitutes the entire agreement between PROVIDER and the AHCA, including anyone acting for, associated with or employed by them, concerning all matters and supersedes any prior discussions, agreements or understandings; there are no promises, representations or agreements between PROVIDER and the AHCA other than and as set forth herein. This agreement shall not waive any right that PROVIDER may have to contest the notice of recalculation referenced in paragraph 8 above. No modifications or waiver of any provision shall be valid unless a written amendment to the Agreement is completed and properly executed by the parties.

18. This is an Agreement of settlement and compromise, made in recognition that the parties may have different or incorrect understandings, information and contentions, as to facts and law, and with each party compromising and settling any potential correctness or incorrectness of its understandings, information and contentions as to facts and law, so that no misunderstanding or misinformation shall be a ground for rescission hereof.

19. Except with respect to any recalculation(s) described in **Exhibit B**, PROVIDER expressly waives in this matter their right to any hearing pursuant to sections §§120.569 or 120.57, Florida Statutes, the making of findings of fact and conclusions of law by the Agency, and all further and other proceedings to which it may be entitled by law or rules of the Agency regarding these proceedings and any and all issues raised herein, other than enforcement of this


Agreement. The PROVIDER further agrees the Agency shall issue a Final Order, which adopts this Agreement.

20. This Agreement is and shall be deemed jointly drafted and written by all parties to it and shall not be construed or interpreted against the party originating or preparing it.

21. To the extent any provision of this Agreement is prohibited by law for any reason, such provision shall be effective to the extent not so prohibited, and such prohibition shall not affect any other provision of this Agreement.

22. This Agreement shall inure to the benefit of and be binding on each party's successors, assigns, heirs, administrators, representatives and trustees.

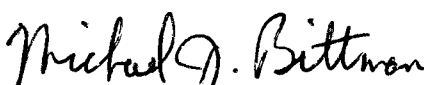
**THE HEALTH CENTER OF STUART,  
INC. d/b/a PARKWAY HEALTH AND  
REHABILITATION CENTER**

  
\_\_\_\_\_  
Providers' Representative

Dated: 7/25/, 2015

  
\_\_\_\_\_  
Printed Title of Providers' Representative

Dated: 7/25/, 2015

  
\_\_\_\_\_  
Legal Counsel for Provider


Dated: 7-30, 2015

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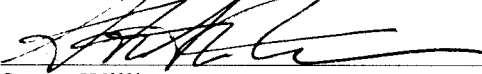


**FLORIDA AGENCY FOR HEALTH CARE  
ADMINISTRATION**

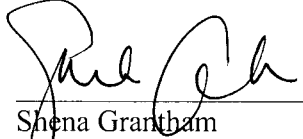
2727 Mahan Drive, Mail Stop #3  
Tallahassee, Florida 32308-5403

  
Justin Senior  
Deputy Secretary, Medicaid

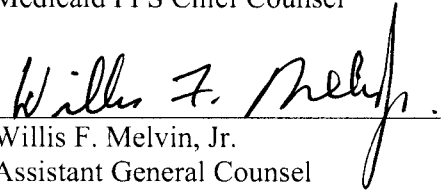
Dated: 11/9, 2015

  
Stuart Williams  
General Counsel

Dated: 11/1, 2015

  
Shena Grantham  
Medicaid FFS Chief Counsel

Dated: 10/24, 2015

  
Willis F. Melvin, Jr.  
Assistant General Counsel

Dated: October 15, 2015

**FLORIDA  
MEDICAID**



JEB BUSH, GOVERNOR

ALAN LEVINE, SECRETARY

November 9, 2005  
Return Receipt No.  
7000 1530 0000 5397 3261

PARKWAY HEALTH & REHAB CENTER  
800 SE CENTRAL PARKWAY  
STUART, FL 34994

Provider No.: 228885  
Audit Period/Engagement No.: March 31, 2002/NH04-203J

Dear Administrator:

We have completed the audit of your facility's Medicaid cost report for the period specified above. A copy of the audit report is attached for your information.

Audit adjustments result from the application of Medicaid reimbursement principles to costs as reported on the Medicaid cost report for the period specified. You have the right to request a formal or informal hearing pursuant to Section 120.57, Florida Statutes. If a petition for a formal hearing is made, the petition must be made in compliance with Section 28-106.201, Florida Administrative Code. Please note that Section 28-106.201(2) specifies that the petition shall contain a concise discussion of specific items in dispute. Additionally, you are hereby informed that if a request for a hearing is made, the request or petition must be received within twenty-one (21) days of your receipt of this letter, and that failure to timely request a hearing shall be deemed a waiver of your right to a hearing.

Please address all petitions for a hearing and/or questions to 2727 Mahan Drive, Mail Stop 21, Tallahassee, FL. 32308.

Sincerely,

Lisa D. Milton  
Administrator of Audit Services  
Medicaid Program Analysis  
(850) 487-1240

Attachment(s):



2727 Mahan Drive • Mail Stop #21  
Tallahassee, FL 32308

Visit AHCA online at  
[www.fdhc.state.fl.us](http://www.fdhc.state.fl.us)

Composite Exhibit A

NH04-203J

**The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Medicaid Examination Report  
for the eighteen month period ended March 31, 2002**

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**Smiley & Smiley, P.A.**  
2120 Corporate Square Blvd. Suite 18  
Jacksonville, FL 32216  
(904) 722-1440 Fax (904) 722-1441  
Email: [office@smileyandsmileypa.com](mailto:office@smileyandsmileypa.com)

## **Independent Accountants' Report**

Secretary  
Agency for Health Care Administration:

We have examined the schedules and statistical data as listed in the Table of Contents, which were derived from the Cost Report for Florida Medicaid Program Nursing Home Service Providers (the "Cost Report") of The Health Center of Stuart, Inc., d/b/a Parkway Health and Rehabilitation (the "Provider"), for the eighteen month period ended March 31, 2002. These schedules and statistical data are the responsibility of the Provider's management. Our responsibility is to express an opinion on the schedules and statistical data based on our examination.

Except as discussed in the following paragraph, our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and accordingly, included examining on a test basis, evidence supporting the accompanying schedules and statistical data and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The Provider is reimbursed under the Fair Rental Value System ("FRVS"). Accordingly, property cost information for depreciation, interest and rent included on the Schedule of Costs, equity capital information on the Schedule of Statistics and Equity Capital, capital replacement and equity in capital assets information on the Schedule of Fair Rental Value System Data and related per diem information on the Schedule of Allowable Medicaid Costs and the Schedule of Interim Rates have not been subjected to examination procedures.

Attachment A to this report includes adjustments which, in our opinion, should be recorded in order for the data, as reported, in the accompanying schedules for the eighteen month period ended March 31, 2002, to be presented in conformity with federal and state Medicaid reimbursement principles as described in Note 1. To quantify the effect of the required adjustments, we have applied the adjustments as described in Attachment A to the amounts and statistical data, as reported, in the accompanying schedules.

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Costs  
for the eighteen month period ended March 31, 2002

<u>Cost Center Totals</u>	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
<b>Costs to be allocated:</b>			
Plant operations	\$ 650,412	\$ (4,748)	\$ 645,664
Housekeeping	397,657	(2,479)	395,178
	<u>1,048,069</u>	<u>(7,227)</u>	<u>1,040,842</u>
Administration	1,307,016	(25,164)	1,281,852
Owner's administrative compensation	-	-	-
	<u>2,355,085</u>	<u>(32,391)</u>	<u>2,322,694</u>
<b>Allowable ancillary cost centers:</b>			
Physical therapy	437,004	(1,740)	435,264
Speech therapy	51,187	(193)	50,994
Occupational therapy	205,187	(820)	204,367
Audiological therapy	-	-	-
Medical supplies	27,111	(3,119)	23,992
Other	49,584	(47)	49,537
	<u>770,073</u>	<u>(5,919)</u>	<u>764,154</u>
<b>Patient care costs:</b>			
Nursing	5,293,742	(33,223)	5,260,519
Dietary	1,169,815	(7,116)	1,162,699
Oxygen	-	-	-
Other	815,933	(2,147)	813,786
	<u>7,279,490</u>	<u>(42,486)</u>	<u>7,237,004</u>
<b>Laundry and linen costs</b>	<u>192,078</u>	<u>(1,226)</u>	<u>190,852</u>
<b>Property costs:</b>			
Depreciation (not examined)	923,231	-	923,231
Interest on property (not examined)	566,915	-	566,915
Rent on property (not examined)	4,971	2,838	7,809
Insurance on property	39,051	-	39,051
Taxes on property	306,509	(119,955)	186,554
Home office property	-	-	-
	<u>1,840,677</u>	<u>(117,117)</u>	<u>1,723,560</u>
<b>Nonallowable ancillary cost centers:</b>			
Radiology	8,552	-	8,552
Lab	22,275	-	22,275
Pharmacy	36,137	-	36,137
Other	-	-	-
	<u>66,964</u>	<u>-</u>	<u>66,964</u>
<b>Other nonreimbursable cost centers:</b>			
Beauty and barber	31,947	-	31,947
Gift shop	-	-	-
Clinic	-	-	-
Other	-	-	-
	<u>31,947</u>	<u>-</u>	<u>31,947</u>
<b>Total operating costs</b>	<u>12,536,314</u>	<u>(199,139)</u>	<u>12,337,175</u>
Medicaid bad debts	-	-	-
<b>Total costs</b>	<u>\$ 12,536,314</u>	<u>\$ (199,139)</u>	<u>\$ 12,337,175</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Charges  
for the eighteen month period ended March 31, 2002

	As Reported	Increase (Decrease)	As Adjusted
Usual and customary daily rate	\$ 139.73	\$ (0.21)	\$ 139.52
<b>Patient Charges:</b>			
<b>Medicaid:</b>			
Ancillary cost centers:			
Physical therapy	\$ -	\$ -	\$ -
Speech therapy	(425)	-	(425)
Occupational therapy	850	-	850
Audiological therapy	-	-	-
Medical supplies	7,461	-	7,461
Other	6,503	-	6,503
Room and board	4,865,247	-	4,865,247
Other	-	-	-
<b>Totals</b>	<u>4,879,636</u>	<u>-</u>	<u>4,879,636</u>
<b>Medicare:</b>			
Ancillary cost centers:			
Physical therapy	923,098	-	923,098
Speech therapy	57,686	-	57,686
Occupational therapy	492,013	-	492,013
Audiological therapy	-	-	-
Medical supplies	8,540	-	8,540
Other	9,534	-	9,534
Room and board	1,707,892	-	1,707,892
Other	-	-	-
<b>Totals</b>	<u>3,198,763</u>	<u>-</u>	<u>3,198,763</u>
<b>Private and other:</b>			
Ancillary cost centers:			
Physical therapy	16,983	-	16,983
Speech therapy	325	-	325
Occupational therapy	12,062	-	12,062
Audiological therapy	-	-	-
Medical supplies	14,094	-	14,094
Other	10,705	(8,268)	2,437
Room and board	5,392,461	-	5,392,461
Other	-	-	-
<b>Totals</b>	<u>5,446,630</u>	<u>(8,268)</u>	<u>5,438,362</u>
<b>Total charges</b>	<u>\$ 13,525,029</u>	<u>\$ (8,268)</u>	<u>\$ 13,516,761</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Statistics and Equity Capital  
for the eighteen month period ended March 31, 2002

<u>Statistics:</u>	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
Number of beds	180	-	180
<b>Patient Days:</b>			
Medicaid	35,051	-	35,051
Medicare	11,138	-	11,138
Private and other	38,980	-	38,980
Total patient days	85,169	-	85,169
Percent Medicaid	41.155%	0.000%	41.155%
<b>Facility square footage:</b>			
<b>Allowable ancillary cost centers:</b>			
Physical therapy	1,453	-	1,453
Speech therapy	450	-	450
Occupational therapy	1,303	-	1,303
Audiological therapy	-	-	-
Medical supplies	98	-	98
Other	177	-	177
Patient care	41,808	-	41,808
Laundry and linen	1,090	-	1,090
Radiology	-	-	-
Lab	-	-	-
Pharmacy	175	-	175
Other nonallowable ancillary	-	-	-
Beauty and barber	57	39	96
Gift shop	-	-	-
Clinic	-	-	-
Other nonreimbursable	-	-	-
Total facility square footage	46,611	39	46,650
<b>Equity Capital (not examined):</b>			
Ending equity capital	\$ 2,263,369	\$ -	\$ 2,263,369
Average equity capital	\$ 1,131,687	\$ -	\$ 1,131,687
Annual rate of return	0.000%	5.326%	5.326%
Return on equity before apportionment	\$ -	\$ 90,410	\$ 90,410

Type of ownership: Corporation  
Date cost report accepted: August 26, 2002



The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Allowable Medicaid Costs  
for the eighteen month period ended March 31, 2002

<u>Total Costs:</u>			
<u>Reimbursement Class</u>	<u>Costs as Adjusted</u>	<u>Allocations and Apportionment (Note 2)</u>	<u>Costs After Allocations and Apportionment</u>
Operating	\$ 2,513,546	\$ (1,561,656)	\$ 951,890
Patient care	8,001,158	(4,999,145)	3,002,013
Property (not examined)	1,723,560	(1,014,128)	709,432
Nonreimbursable	98,911	7,574,929	7,673,840
Totals (Page 3)	12,337,175	-	12,337,175
Return on equity (Page 5) (not examined)	90,410	(56,237)	34,173
Non-Medicaid	-	56,237	56,237
Totals	<u>\$ 12,427,585</u>	<u>\$ -</u>	<u>\$ 12,427,585</u>

<u>Allowable Medicaid Costs:</u>			
<u>Reimbursement Class</u>	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
Operating	\$ 963,651	\$ (11,761)	\$ 951,890
Patient care	3,014,557	(12,544)	3,002,013
Property (not examined)	757,452	(48,020)	709,432
Return on equity (not examined)	-	34,173	34,173
Totals	<u>\$ 4,735,660</u>	<u>\$ (38,152)</u>	<u>\$ 4,697,508</u>

<u>Allowable Medicaid Per Diem Costs:</u>			
<u>Reimbursement Class</u>	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
Operating	\$ 27.49	\$ (0.33)	\$ 27.16
Patient care	86.00	(0.35)	85.65
Property (not examined)	21.61	(1.37)	20.24
Return on equity (not examined)	-	0.97	0.97
Initial Medicaid per diem (Note 3)	<u>\$ 135.10</u>	<u>\$ (1.08)</u>	<u>\$ 134.02</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
**Schedule of Interim Rate Cost Settlement Data**  
for the eighteen month period ended March 31, 2002

<b>Reason for interim rate:</b>	Change of Ownership
<b>Effective date for interim rate change:</b>	October 1, 2000
<b>Ending date for the interim rate period:</b>	March 31, 2002
Medicaid patient days during the interim rate period:	35,051
Total patient days during the interim period	85,169
Date component interim rate costs were first incurred	N/A
Cost incurred during the interim rate period (note 5):	
Direct patient cost during interim rate period	\$ 1,810,904
Indirect patient cost during interim rate period	1,191,109
Operating cost during interim rate period	951,890
Property cost during interim rate period (not examined)	709,432
Return on equity during interim rate period (not examined)	34,173
<b>Total Interim Rate cost incurred during cost report period:</b>	<b><u>\$ 4,697,508</u></b>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Fair Rental Value System Data  
for the eighteen month period ended March 31, 2002

<u>Capital Additions and Improvements:</u>	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
Acquisition costs:			
10/01/00 to 12/31/00	\$ -	\$ -	\$ -
01/01/01 to 06/30/01	-	-	-
07/01/01 to 12/31/01	-	-	-
01/01/02 to 03/31/02	-	-	-
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Original loan amount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Retirements	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>Capital Replacements (not examined):</u>			
Acquisition costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Original loan amount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Pass-through costs (Note 4)			
Acquisitions:			
10/01/00 to 03/31/02			
Depreciation	\$ -	\$ -	\$ -
Interest	-	-	-
Prior to 10/01/00	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>Equity In Capital Assets (not examined):</u>			
Ending equity in capital assets	\$ 2,213,022	\$ -	\$ 2,213,022
Average equity in capital assets	<u>\$ 1,167,984</u>	<u>\$ -</u>	<u>\$ 1,167,984</u>
Annual rate of return	0.000%	5.326%	5.326%
Return on equity in capital assets before apportionment	<u>\$ -</u>	<u>\$ 93,310</u>	<u>\$ 93,310</u>
Return on equity in capital assets apportioned to Medicaid	<u>\$ -</u>	<u>\$ 35,270</u>	<u>\$ 35,270</u>

Mortgage Information  
No Mortgage

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Direct Patient Care  
for the eighteen month period ended March 31, 2002

	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
<b>RN Data (note 6)</b>			
Productive Salaries	\$ 605,238	\$ -	\$ 605,238
Non-Productive Salaries	24,031	-	24,031
<b>Total Salaries</b>	<b>\$ 629,269</b>	<b>\$ -</b>	<b>\$ 629,269</b>
FICA	\$ 51,031	\$ (314)	\$ 50,717
Unemployment Insurance	-	-	-
Health Insurance	23,511	(144)	23,367
Workers Compensation	41,166	(5,587)	35,579
Other Fringe Benefits	2,530	(16)	2,514
<b>Total Benefits</b>	<b>\$ 118,238</b>	<b>\$ (6,061)</b>	<b>\$ 112,177</b>
Productive Hours	29,998	-	29,998
Non-Productive Hours	1,228	-	1,228
<b>Total Hours</b>	<b>31,226</b>	<b>-</b>	<b>31,226</b>
<b>LPN Data</b>			
Productive Salaries	\$ 917,603	\$ -	\$ 917,603
Non-Productive Salaries	53,424	-	53,424
<b>Total Salaries</b>	<b>\$ 971,027</b>	<b>\$ -</b>	<b>\$ 971,027</b>
FICA	\$ 78,746	\$ (485)	\$ 78,261
Unemployment Insurance	-	-	-
Health Insurance	36,280	(223)	36,057
Workers Compensation	63,524	(8,621)	54,903
Other Fringe Benefits	3,903	(24)	3,879
<b>Total Benefits</b>	<b>\$ 182,453</b>	<b>\$ (9,353)</b>	<b>\$ 173,100</b>
Productive Hours	53,812	-	53,812
Non-Productive Hours	3,248	-	3,248
<b>Total Hours</b>	<b>57,060</b>	<b>-</b>	<b>57,060</b>
<b>CNA Data</b>			
Productive Salaries	\$ 2,066,156	\$ -	\$ 2,066,156
Non-Productive Salaries	67,550	507	68,057
<b>Total Salaries</b>	<b>\$ 2,133,706</b>	<b>\$ 507</b>	<b>\$ 2,134,213</b>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Direct Patient Care  
for the eighteen month period ended March 31, 2002

	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
CNA Data (note 6) continued			
FICA	\$ 173,034	\$ (1,024)	\$ 172,010
Unemployment Insurance	-	-	-
Health Insurance	79,721	(472)	79,249
Workers Compensation	139,586	(18,916)	120,670
Other Fringe Benefits	8,577	(51)	8,526
Total Benefits	<u>\$ 400,918</u>	<u>\$ (20,463)</u>	<u>\$ 380,455</u>
Productive Hours	191,416	-	191,416
Non-Productive Hours	6,504	-	6,504
Total Hours	<u>197,920</u>	<u>-</u>	<u>197,920</u>
Agency Data			
RN	\$ -	\$ -	\$ -
LPN	-	-	-
CNA	-	-	-
Total Agency Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Agency Data			
RN	-	-	-
LPN	-	-	-
CNA	-	-	-
Total Agency Hours	<u>-</u>	<u>-</u>	<u>-</u>
Pediatric Offset - RN Data			
Productive Salaries	\$ -	\$ -	\$ -
Non-Productive Salaries	-	-	-
Total Salaries	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Productive Hours	-	-	-
Non-Productive Hours	-	-	-
Total Hours	<u>-</u>	<u>-</u>	<u>-</u>
Pediatric Offset - LPN Data			
Productive Salaries	\$ -	\$ -	\$ -
Non-Productive Salaries	-	-	-
Total Salaries	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Direct Patient Care  
for the eighteen month period ended March 31, 2002

	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
<b>Pediatric Offset (LPN Data continued)</b>			
Productive Hours	-	-	-
Non-Productive Hours	-	-	-
<b>Total Hours</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Pediatric Offset - CNA Data</b>			
Productive Salaries	\$ -	\$ -	\$ -
Non-Productive Salaries	-	-	-
<b>Total Salaries</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Productive Hours	-	-	-
Non-Productive Hours	-	-	-
<b>Total Hours</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Pediatric Offset - Agency Data</b>			
RN	\$ -	\$ -	\$ -
LPN	-	-	-
CNA	-	-	-
<b>Total Agency Costs</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Pediatric Offset - Agency Data</b>			
RN	-	-	-
LPN	-	-	-
CNA	-	-	-
<b>Total Agency Hours</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AIDS Offset - RN Data</b>			
Productive Salaries	\$ -	\$ -	\$ -
Non-Productive Salaries	-	-	-
<b>Total Salaries</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Productive Hours	-	-	-
Non-Productive Hours	-	-	-
<b>Total Hours</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AIDS Offset - LPN Data</b>			
Productive Salaries	\$ -	\$ -	\$ -
Non-Productive Salaries	-	-	-
<b>Total Salaries</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Direct Patient Care  
for the eighteen month period ended March 31, 2002

	<u>As Reported</u>	<u>Increase (Decrease)</u>	<u>As Adjusted</u>
AIDS Offset (LPN Data continued)			
Productive Hours	-	-	-
Non-Productive Hours	-	-	-
Total Hours	<u>-</u>	<u>-</u>	<u>-</u>
AIDS Offset - CNA Data			
Productive Salaries	\$ -	\$ -	\$ -
Non-Productive Salaries	-	-	-
Total Salaries	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Productive Hours	-	-	-
Non-Productive Hours	-	-	-
Total Hours	<u>-</u>	<u>-</u>	<u>-</u>
AIDS Offset - Agency Data			
RN	\$ -	\$ -	\$ -
LPN	-	-	-
CNA	-	-	-
Total Agency Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
AIDS Offset - Agency Data			
RN	-	-	-
LPN	-	-	-
CNA	-	-	-
Total Agency Hours	<u>-</u>	<u>-</u>	<u>-</u>
Data for All Departments			
Total Salaries	<u>\$ 6,650,658</u>	<u>\$ 41,155</u>	<u>\$ 6,691,813</u>
FICA	\$ 539,337	\$ -	\$ 539,337
Unemployment Insurance	-	-	-
Health Insurance	248,486	-	248,486
Workers Compensation	435,082	(56,721)	378,361
Other Fringe Benefits	26,734	-	26,734
Total Benefits	<u>\$ 1,249,639</u>	<u>\$ (56,721)</u>	<u>\$ 1,192,918</u>
Patient Days Data			
Medicaid Patient Days	<u>35,051</u>	<u>-</u>	<u>35,051</u>
Total Patient Days	<u>85,169</u>	<u>-</u>	<u>85,169</u>

The accompanying notes are an integral part of this schedule.

**Composite Exhibit A**

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Notes to Schedules  
for the eighteen month period ended March 31, 2002

Note 1 - Basis of Presentation

The schedules, which were derived from the Cost Report for Florida Medicaid Program Nursing Home Service Providers (cost report) for the current period, have been prepared in conformity with federal and state Medicaid reimbursement principles as specified in the State of Florida Medicaid Program as defined by applicable cost and reimbursement principles, policies, and regulations per Medicaid principles of reimbursement as interpreted by the Provider Reimbursement Manual (CMS-Pub. 15-1), Florida Title XIX Long-Term Care Reimbursement Plan, and the State of Florida's Agency for Health Care Administration Audit Services Medicaid Procedures Manual. The format and content of the information included in the schedules have been developed by the State of Florida's Agency for Health Care Administration Audit Services.

The balances in the "As Reported" columns of the schedules are the assertions and responsibility of the management of the nursing home. The balances in the "As Adjusted" columns are the result of applying the adjustments reflected in the "Increase (Decrease)" columns to the balances in the "As Reported" columns.

Note 2 - Allocations and Apportionment

Schedules G, G-1 and H of the cost report allocate allowable administration, plant operation and housekeeping costs to allowable and nonallowable ancillary, patient care, laundry and linen and nonreimbursable cost centers based on predetermined statistical bases, such as square footage or total costs, as explained in the cost report. These schedules then apportion allowable costs after allocations to the Medicaid program based on other statistical bases, such as patient days or ancillary charges, as explained in the cost report. The net effect of such allocations and apportionments on each reimbursement class is presented in the Schedule of Allowable Medicaid Costs.

Note 3 - Initial Medicaid Per Diem

Allowable Medicaid per diem costs for property and return on equity have not been calculated under the provisions of the applicable revision of the Florida Title XIX Long-Term Care Reimbursement Plan, and fair rental value provisions have not been applied. The effect, if any, of the fair rental value system, will be determined during the rate setting process, and where applicable, prospective rates will be calculated by applying inflation factors, incentives, low utilization penalties and reimbursement ceilings.

Note 4 - Capital Replacement Pass-Through Costs

Capital replacement pass-through costs in the form of depreciation and interest are presented without regard to the number of years remaining, if any, to full fair rental value system phase-in. Accordingly, pass-through reimbursement will be calculated based on amounts equal to or less than fifty percent of the costs presented herein as capital replacement pass-through costs. Once full fair rental value system phase-in has occurred no capital replacement costs are allowed to be passed through.



The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Notes to Schedules  
for the eighteen month period ended March 31, 2002

Note 5 - Interim Rate Cost Settlement

The Florida Title XIX Long-Term Care Reimbursement Plan stipulates that provider reimbursement, which is based on budgeted cost projections, will be subject to cost settlement. The amount of such settlement will be based on the difference between the budgeted interim rate paid for the cost reporting period, and the related actual costs incurred, stated as per diem. The Schedule of Interim Rate Cost Settlement Data presented herein will be used as the basis for determining any amounts due to or due from the Provider.

Note 6 - Direct Patient Care

The Schedule of Direct Patient Care which was derived from the Cost Report for Florida Medicaid Program Nursing Home Service Providers (cost report) for the current period, has been prepared in conformity with federal and state Medicaid reimbursement principles as specified in the State of Florida Medicaid Program as defined by applicable cost and reimbursement principles, policies, and regulations per Medicaid principles of reimbursement as interpreted by the Provider Reimbursement Manual (CMS-Pub. 15-1), Florida Title XIX Long-Term Care Reimbursement Plan, and the State of Florida's Agency for Health Care Administration Audit Services Medicaid Procedures Manual.

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

The following adjustments, which are included in the Schedule of Costs and those affecting ending equity capital in the Schedule of Statistics and Equity Capital, are supported by explanations and authoritative citations. All other adjustments presented herein are in accordance with Chapter 2300, primarily Section 2304, Adequacy of Cost Information, CMS-Pub. 15-1. Adjustments to the Schedule of Direct Patient Care are in accordance with Florida Title XIX Long-Term Care Reimbursement Plan Section V, B.

Classification	Account Number	Comment	Increase (Decrease)
<u>Adjustments affecting costs (Page 3)</u>			
<u>Plant operation:</u>			
1. Repairs & maintenance - equipment	7242407100	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	\$ (1,865)
2. Repairs & maintenance - building	7242407105	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(998)
3. Repairs & maintenance - building	7242407105	To disallow items expensed by provider that should have been capitalized. (Section 108.1, CMS Pub 15-1)	(1,180)
4. Worker's compensation	7242406500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(705)
			<u>(4,748)</u>
<u>Housekeeping:</u>			
5. Repairs & maintenance - equipment	7242607100	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	\$ (1,144)
6. Worker's compensation	7242606500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(1,335)
			<u>(2,479)</u>
<u>Administration:</u>			
7. Public relations	7258606790	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(9,544)
8. Public relations	7258606790	To reclassify expense / cost to the proper cost center. (Section 2302.8, CMS Pub. 15-1)	(310)

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Classification	Account Number	Comment	Increase (Decrease)
Administration (continued):			
9. Public relations	7258606790	To disallow costs not related to patient care. (Section 2100, 2102.3, CMS Pub 15-1)	(9,421)
10. Legal expenses	7258607055	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	\$ (1,781)
11. Worker's compensation	7242406695	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(2,174)
12. Other licenses - taxes	7258607165	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(2,384)
13. Purchased services	7258607030	To reclassify expense / cost to the proper cost center. (Section 2302.8, CMS Pub. 15-1)	310
14. Equipment rental	7242006980	To reclassify expense / cost to the proper cost center. (Section 2302.8, CMS Pub 15-1)	(2,838)
15. Admin. salaries	7258606500	To adjust to the audited amount. (Section 900, CMS Pub. 15-1)	\$ 2,978
			(25,184)
<u>Allowable ancillary:</u>			
16. Medical services - transportation	7041704055	To off-set patient supplies expense against related revenue. (Section 2302.5, CMS Pub. 15-1)	\$ (3,119)
17. Worker's compensation	7040606500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(820)
18. Worker's compensation	7040806500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(193)

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Classification	Account Number	Comment	Increase (Decrease)
<u>Allowable ancillary continued:</u>			
19. Worker's compensation	7040706500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(1,740)
20. Worker's compensation	7040506500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(47)
			(5,919)
<u>Patient care:</u>			
21. Repairs & maintenance	7242207100	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	\$ (912)
22. Small equipment	7240207130	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(1,482)
23. Small equipment	7242207130	To disallow items expensed by provider that should have been capitalized. (Section 108.1, CMS Pub 15-1)	(1,732)
24. Small equipment	7242207130	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(2,020)
25. Quality assurance services	7240207089	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(4,404)
26. Education & meetings	7240207090	To disallow CNA training and testing fees that are reimbursed under a separate state program. (Nursing Facilities Services Coverage & Limitations Handbook)	(1,886)
27. Worker's compensation	7240206505	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(21,512)
28. Worker's compensation	7242106500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(1,110)

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Classification	Account Number	Comment	Increase (Decrease)
<u>Patient care continued:</u>			
29. Worker's compensation	7242006500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(666)
30. Worker's compensation	7242206500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(2,452)
31. Small equipment	7240207130	To disallow late fees. (Section 2102.3, 2103, CMS Pub 15-1)	(20)
32. Small equipment	7240207130	To disallow items expensed by provider that should have been capitalized. (Section 108.1, CMS Pub 15-1)	(3,919)
33. Worker's compensation	7242806500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(371)
			(42,486)
<u>Laundry and linen:</u>			
34. Small equipment	7240407130	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(541)
35. Worker's compensation	7240406500	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	(685)
			(1,226)
<u>Property:</u>			
36. Real estate taxes	7258607150	To disallow expense / cost due to lack of supporting documentation. (Section 2304, CMS Pub. 15-1)	\$ (119,955)
37. Equipment rental	XXXX	To reclassify expense / cost to the proper cost center. (Section 2302.8, CMS Pub. 15-1)	2,838
			(117,117)
Net adjustments affecting cost			\$ (199,139)

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Adjustments Affecting Direct Patient Care (Pages 9 - 12)

<u>Non-productive salaries:</u>			
38. RN	XXXX	To adjust cost to examined amount. (Florida Title XIX	\$ -
LPN	XXXX	Long-Term Care Reimbursement Plan, Section V, B.)	-
CNA	XXXX		507
			<u>\$ 507</u>
<u>FICA</u>			
39. RN	XXXX	To adjust cost to examined amount. (Florida Title XIX	\$ (314)
LPN	XXXX	Long-Term Care Reimbursement Plan, Section V, B.)	(485)
CNA	XXXX		(1,024)
			<u>\$ (1,823)</u>
<u>Health insurance:</u>			
40. RN	XXXX	To adjust cost to examined amount. (Florida Title XIX	\$ (144)
LPN	XXXX	Long-Term Care Reimbursement Plan, Section V, B.)	(223)
CNA	XXXX		(472)
			<u>\$ (839)</u>
<u>Worker's compensation:</u>			
41. RN	XXXX	To adjust cost to examined amount. (Florida Title XIX	\$ (5,587)
LPN	XXXX	Long-Term Care Reimbursement Plan, Section V, B.)	(8,621)
CNA	XXXX		(18,918)
			<u>\$ (33,124)</u>
<u>Other fringe benefits:</u>			
42. RN	XXXX	To adjust cost to examined amount. (Florida Title XIX	\$ (16)
LPN	XXXX	Long-Term Care Reimbursement Plan, Section V, B.)	(24)
CNA	XXXX		(51)
			<u>\$ (91)</u>
<u>Total all department adjustments:</u>			
43. Total salaries	XXXX	To adjust cost to examined amount. (Florida Title XIX	\$ 41,155
Total worker's compensation	XXXX	Long-Term Care Reimbursement Plan, Section V, B.)	(56,721)
			<u>\$ (15,566)</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Attachment A

Classification	Account Number	Comment	Increase (Decrease)
<u>Adjustments affecting revenue (page 4)</u>			
44	Usual and customary daily rate	To adjust to examined amount. (Section 2304, CMS Pub 15-1)	\$ (0.21)
<u>Patient Charges</u>			
<u>Private &amp; other:</u>			
45	Other ancillary	To adjust charges based on audited charges. (Section 2202.1, CMS-Pub. 15-1)	\$ (8,268)
Net adjustments affecting revenue			<u>\$ (8,268)</u>

The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Attachment A

Classification	Account Number	Comment	Increase (Decrease)
Average equity capital			\$ -
Days:			
Medicaid			-
Medicare			-
Private and Other			-
Beds:			
Total Beds			-
<u>Adjustments affecting statistics (Page 5)</u>			
<u>Facility square footage:</u>			
Physical therapy		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Speech therapy		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Occupational therapy		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Audiological therapy		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Medical supplies		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Other ancillary		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Patient care		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Laundry and linen		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Radiology		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Lab		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Pharmacy		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Other nonallowable ancillary		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Beauty and barber		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	39
Gift shop		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Clinic		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Other nonreimbursable		To adjust to actual. (Sections 2102.3 and 2304, CMS-Pub. 15-1)	-
Net adjustments to facility square footage			<u>39</u>



The Health Center of Stuart, Inc.  
d/b/a Parkway Health & Rehabilitation  
Schedule of Adjustments  
for the eighteen month period ended March 31, 2002

Attachment A

The following adjustments reported in the Schedule of Fair Rental Value System Data are in accordance with the fair rental value system provisions of the Florida Title XIX Long-Term Care Reimbursement Plan and, where appropriate, the applicable sections of Chapters 100, Depreciation, and 2300, Adequate Cost Data and Cost Findings of the Provider Reimbursement Manual (CMS-Pub. 15-1). The Provider has been furnished with schedules developed during the course of the examination which detail allowable components of the fair rental value system.

<u>Classification</u>	Increase (Decrease)
<u>Fair Rental Value System Data:</u>	
<u>Capital Additions</u>	
1. Acquisition costs	\$ -
2. Retirements (not examined)	\$ -
<u>Capital Replacements (not examined)</u>	
3. Acquisition costs	\$ -
4. Pass-through costs	\$ -
<u>Equity in Capital Assets (not examined)</u>	
5. Ending equity	\$ -
6. Average equity	\$ -
7. Return on equity before apportionment	\$ 93,310
8. Return on equity apportioned to Medicated	\$ 35,270

August 20, 2014

Zainab Day  
Acting Administrator  
Audit Services  
Agency for Health Care Administration  
2727 Mahan Drive, MS #21  
Tallahassee, FL 32308

RE: Parkway Health and Rehab Center  
Audit Period/Engagement No.: March 31, 2002 / NH04-203J

Revisions to Sch. of Costs Adjustment Nos. 1, 2, 3, 5, 15a added, 21, 24,  
25, 36 and 37a added

Adjustment No.	From	To
1	(1,865)	-
2	(998)	-
3	(1,180)	-
5	(1,144)	-
15a	-	22,782
21	(912)	-
24	(2,020)	-
25	(4,040)	-
36	(119,955)	(113,640)
37a	-	(22,782)

Corrections to "As Reported" amounts on original audit report

Schedule of Statistics –

Number of beds – as reported from 180 to 177

Number of beds – as adjusted from 180 to 177

Schedule of Fair Rental Value System Data –

Acquisition costs – as reported from \$-0- to \$1,799,677

Acquisition costs – as adjusted from \$-0- to \$1,799,677

Schedule of Direct Patient Care –

Total salaries – as reported from \$6,650,658 to \$6,681,813

Total salaries – increase(decrease) from \$41,155 to \$10,000

**Exhibit B**