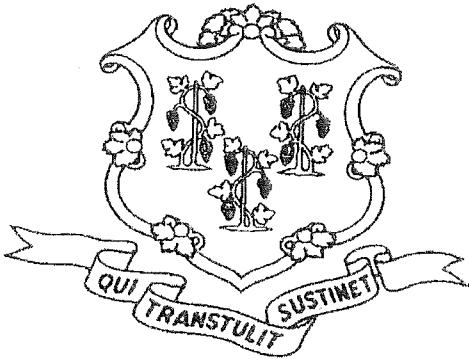


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2019

Name of Facility (as licensed) Marlborough Health Care Center, Inc.				
Address (No. & Street, City, State, Zip Code) 85 Stage Harbor Road, Marlborough, CT 06447				
Type of Facility				
<input checked="" type="checkbox"/> Chronic and Convalescent <input checked="" type="checkbox"/> Nursing Home only (CCNH)		Rest Home with Nursing <input type="checkbox"/> Supervision only (RHNS) <input type="checkbox"/> (Specify)		
Report for Year Beginning 10/1/2018		Report for Year Ending 9/30/2019		

License Numbers:		CCNH 200RH	RHNS	(Specify)	Medicare Provider 07-5384
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Medicaid Provider Numbers:		CCNH 75064	RHNS	ICF-IID
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For Department Use Only

Sequence Number Assigned	Signed and Notarized	Date Received	Sequence Number Assigned	Signed and Notarized	Date Received

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State of Connecticut

Annual Report of Long-Term Care Facility

CSP-1 Rev.9/2002

General Information

Name of Facility (as licensed) Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 1	of 37
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Administrator's/Owner's Certification

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER STATE OR FEDERAL LAW.

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for Marlborough Health Care Center, Inc. [facility name], for the cost report period beginning October 1, 2018 and ending September 30, 2019, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above.

I have read this Report and hereby certify that the information provided is true and correct to the best of my knowledge under the penalty of perjury. I also certify that all salary and non-salary expenses presented in this Report as a basis for securing reimbursement for Title XIX and/or other State assisted residents were incurred to provide resident care in this Facility. All supporting records for the expenses recorded have been retained as required by Connecticut law and will be made available to auditors upon request.

{a} Subject to Desk Audit Review

Signed (Administrator)		Date	Signed (Owner)	Date
Printed Name (Administrator) Robert Guastella			Printed Name (Owner) Marvin J. Ostreicher	
Subscribed and Sworn to before me:	State of	Date	Signed (Notary Public)	Comm. Expires / /
Address of Notary Public				

(Notary Seal)

State of Connecticut
Department of Social Services
55 Farmington Avenue, Hartford, Connecticut 06105

Data Required for Real Wage Adjustment			Page 1A	of 37
Name of Facility Marlborough Health Care Center, Inc.	Period Covered:		From 10/1/2018	To 9/30/2019
Address of Facility 85 Stage Harbor Road, Marlborough, CT 06447				
Report Prepared By Marcum LLP	Phone Number 203-781-9600	Date 1/30/2020		
Item	Total	CCNH	RHNS	(Specify)
1. Dietary wages paid	\$			
2. Laundry wages paid	\$			
3. Housekeeping wages paid	\$			
4. Nursing wages paid	\$			
5. All other wages paid	\$			
6. Total Wages Paid	\$			
7. Total salaries paid	\$			
8. Total Wages and Salaries Paid (As per page 10 of Report)	\$			

Wages - Compensation computed on an hourly wage rate.

Salaries - Compensation computed on a weekly or other basis which does not generally vary, based on the number of hours worked.

DO NOT include Fringe Benefit Costs.

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-2 Rev. 10/2005

General Information and Questionnaire
Type of Facility - Organization Structure

Phone No. of Facility	Report for Year Ended	Page	of
860-295-9831	9/30/2019	2	37

Name of Facility (as shown on license) Marlborough Health Care Center, Inc.	Address (No. & Street, City, State, Zip) 85 Stage Harbor Road, Marlborough, CT 06447		
License Numbers: CCNH 200RH	RHNS	(Specify)	Medicare Provider No. 07-5384
Type of Facility (Check appropriate box(es)) <input checked="" type="checkbox"/> Chronic and Convalescent <input checked="" type="checkbox"/> Nursing Home only (CCNH) <input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS) <input type="checkbox"/> (Specify)			
Type of Ownership (Check appropriate box) <input type="radio"/> Proprietorship <input type="radio"/> LLC <input type="radio"/> Partnership <input checked="" type="radio"/> Profit Corp. <input type="radio"/> Non-Profit Corp. <input type="radio"/> Government <input type="radio"/> Trust	Date Opened	Date Closed	
If this facility opened or closed during report year provide:			
Has there been any change in ownership or operation during this report year?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If "Yes," explain fully. N/A
Administrator			
Name of Administrator Robert Guastella	Nursing Home Administrator's License No.:	936	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.			
Name N/A	License No.:		

General Information and Questionnaire Partners/Members

General Information and Questionnaire
Corporate Owners

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page of 3A 37
If this facility is owned or operated as a corporation, provide the following information:			
Legal Name of Corporation	Business Address	State(s) in Which Incorporated	
Marlborough Health Care Center, Inc.	85 Stage Harbor Road, Marlborough, CT 06447	CT	
Name of Directors, Officers	Business Address	Title	No. Shares Held by Each
Agnes Zitter	9 Dogwood Lane, Lawrence, NY 11559	President	50
Marvin Ostreicher	181 Wildacre Avenue, Lawrence, NY 11559	Secretary	50
Names of Stockholders Owning at Least 10% of Shares			
Agnes Zitter	9 Dogwood Lane, Lawrence, NY 11559	President	50
Marvin Ostreicher	181 Wildacre Avenue, Lawrence, NY 11559	Secretary	50

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-3B Rev. 10/2005

General Information and Questionnaire
Individual Proprietorship

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page of 3B 37
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If this facility is owned or operated as an individual proprietorship, provide the following information:

Owner(s) of Facility

N/A

General Information and Questionnaire

Related Parties*

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019			Page 4	of 37		
Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? <input checked="" type="radio"/> Yes <input type="radio"/> No				If "Yes," provide the Name/Address and complete the information on Page 11 of the report.				
Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility?				<input checked="" type="radio"/> Yes <input type="radio"/> No If "Yes," provide the following information:				
Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties			Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No	%**				
National HealthCare Associates 20 E Sunrise	20 E Sunrise Hwy, Valley Stream NY, 11581	<input type="radio"/>	<input checked="" type="radio"/>		Consulting Fees	Page 16 / Line m11	22,844	22,844
National HealthCare Associates 20 E Sunrise	20 E Sunrise Hwy, Valley Stream NY, 11581	<input type="radio"/>	<input checked="" type="radio"/>		Interest Expense	Page 27 / Line 12d	5,035	5,035
National HealthCare Associates 20 E Sunrise	20 E Sunrise Hwy, Valley Stream NY, 11581	<input type="radio"/>	<input checked="" type="radio"/>		Shared Expense	Page 16 / Line m12	471,092	471,092
850 SILAS DEANE	850 Silas Deane Hwy Wethersfield, CT 06109	<input type="radio"/>	<input checked="" type="radio"/>		Rent / Other	Page 16 / Line m12	1,304	1,304
20Sunrise	20 E Sunrise Hwy, Valley Stream NY, 11581	<input type="radio"/>	<input checked="" type="radio"/>		Rent / Other	Page 16 / Line m12	11,918	11,918
Preferred Therapy Solutions	850 Silas Deane Hwy Wethersfield, CT 06109	<input type="radio"/>	<input checked="" type="radio"/>		PT,OT,ST SERVICES/CONSULTING	Various	626,217	609,823
NOA DIAGNOSTICS	6851 Jericho Tpke, Suite 150 Syosset, NY 11791	<input type="radio"/>	<input checked="" type="radio"/>		Radiology	Page 20 / Line 5f	18,196	15,667
PROCARE LTC PHARMACY OF CT	1492 Highland Ave Cheshire CT 06410	<input type="radio"/>	<input checked="" type="radio"/>		Drugs / OTC / Rx Consulting	Various	340,400	313,341
See Attached for Continued List	Various	<input type="radio"/>	<input checked="" type="radio"/>		Various	Various	1,040,226	1,040,226

* Use additional sheets if necessary.

** Provide the percentage amount of revenue received from non-related parties.

General Information and Questionnaire
Related Parties*

Name of Facility Marlborough Health & Rehab		License No. 200RH			Report for Year Ended 9/30/2019		Page 4a	of 37
Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties			Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No	%**				
National HealthCare Associates-Aetna	850 Silas Deane Hwy Wethersfield, CT 06109	<input type="radio"/>	<input checked="" type="radio"/>	0%	Health Insurance	Page 15 / Line 1a5	577,101	577,101
Cambridge Manor	2428 Easton Tpke, Fairfield CT 06825	<input type="radio"/>	<input checked="" type="radio"/>	0%	Bank Fees	Page 16 / Line m13	4,991	4,991
Cambridge Manor	2428 Easton Tpke, Fairfield CT 06825	<input type="radio"/>	<input checked="" type="radio"/>	0%	Workers Comp	Page 15 / Line 1a1	3,353	3,353
Regency House of Wallingford	181 East Main St Wallingford CT 06492	<input type="radio"/>	<input checked="" type="radio"/>	0%	Dietary Consultant	Page 13 / Line 1	391	391
Millborough Realty	85 Stage Harbor Rd Marlborough CT 06447	<input type="radio"/>	<input checked="" type="radio"/>	0%	Lease of Facility	Page 22 / Line 9	360,000	***360,000
Millborough Realty	85 Stage Harbor Rd Marlborough CT 06447	<input type="radio"/>	<input checked="" type="radio"/>	0%	Depreciation the building	Page 22 / Line 7b	80,251	80,251
National HealthCare Associates-Aetna	850 Silas Deane Hwy Wethersfield, CT 06109	<input type="radio"/>	<input checked="" type="radio"/>	0%	Bank Fees	Page 16 / Line m13	14,139	14,139

* Use additional sheets if necessary.

** Provide the percentage amount of revenue received from non-related parties.

*** N/A Medicaid reimbursement is based upon fair rental value system. Replaced during rate setting.

General Information and Questionnaire

Basis for Allocation of Costs

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 5	of 37
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If the facility is licensed as CDH and/or RCH or provides AIDS or TBI services with special Medicaid rates, costs must be allocated to CCNH and RHNS as follows:

Item	Method of Allocation
Dietary	Number of meals served to residents
Laundry	Number of pounds processed
Housekeeping	Number of square feet serviced
Nursing	Number of hours of routine care provided by EACH employee classification, i.e., Director (or Charge Nurse), Registered Nurses, Licensed Practical Nurses, Aides and Attendants
Direct Resident Care Consultants	Number of hours of resident care provided by EACH specialist (<i>See listing page 13</i>)
Maintenance and operation of plant	Square feet
Property costs (depreciation)	Square feet
Employee health and welfare	Gross salaries
Management services	Appropriate cost center involved
All other General Administrative expenses	Total of Direct and Allocated Costs

The preparer of this report must answer the following questions applicable to the cost information provided.

1. In the preparation of this Report, were all costs allocated as required? Yes No If "No," explain fully why such allocation was not made.

N/A

2. Explain the allocation of related company expenses and attach copy of appropriate supporting data.

N/A

3. Did the Facility appropriately allocate and self-disallow direct and indirect costs to non-nursing home cost centers? (e.g., Assisted Living, Home Health, Outpatient Services, Adult Day Care Services, etc.)

Yes No If "No," explain fully why such allocation was not made.

N/A

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-6 Rev. 9/2002

**General Information and Questionnaire
Leases (Excluding Real Property)**

Operating Leases - Include all long-term leases for motor vehicles and equipment that have not been capitalized. Short-term leases or as needed rentals should not be included in these amounts.

Name of Facility		License No.		Report for Year Ended			Page 6	of 37
Marlborough Health Care Center, Inc.		200RH		9/30/2019				
Name and Address of Lessor	Related * to Owners, Operators, Officers		Description of Items Leased	Date of Lease**	Term of Lease	Annual Amount of Lease	Amount Claimed	
	Yes	No						
Reliable Health Systems, Nostrand Ave, Brooklyn, NY 11230	<input type="radio"/>	<input checked="" type="radio"/>	Computer Equipment	10/01/08	60 / ongoing	2,930	2,930	
Wescom Solutions, PO Box 674802, Detroit, MI 48267	<input type="radio"/>	<input checked="" type="radio"/>	Software	03/07/12	Ongoing	29,347	29,347	
Leaf, PO Box 644006, Cincinnati, OH 45264	<input type="radio"/>	<input checked="" type="radio"/>	Copier	03/01/16	39 months	1,873	1,873	
Leaf, PO Box 644006, Cincinnati, OH 45264	<input type="radio"/>	<input checked="" type="radio"/>	Copier	04/01/18	39 months	3,789	3,789	
Leaf, PO Box 644006, Cincinnati, OH 45264	<input type="radio"/>	<input checked="" type="radio"/>	Copier	06/01/19	39 months	772	772	
Jaguar Land Rover 1568 W Chester Pike West Chester. P.A 19382	<input type="radio"/>	<input checked="" type="radio"/>	Vehicle Lease	06/01/17	36 Months	9,842	9,842	
	<input type="radio"/>	<input checked="" type="radio"/>						
	<input type="radio"/>	<input checked="" type="radio"/>						
	<input type="radio"/>	<input checked="" type="radio"/>						
	<input type="radio"/>	<input checked="" type="radio"/>						

Is a Mileage Log Book Maintained for All Leased Vehicles ?

Yes

No

Total ***

48,553

* Refer to Page 4 for definition of related. If "Yes," transaction should be reported on Page 4 also.

** Attach copies of newly acquired leases.

*** Amount should agree to Page 22, Line 6e.

SALES ORDER

THE OFFICE WORKS

The Office Works, Inc.
 45 Corporate Avenue
 Plainville, CT 06062
 1-800-634-4810 1-860-793-9994

Date: May 29, 2019

BILL TO:		SHIP TO:	
Marlborough Health Care Center 85 Stage Harbor Road Marlborough, CT		Same	
ITEM	DESCRIPTION	QTY	SALE / LEASE PRICE
e-Studio6518A	Toshiba 65 ppm multifunctional copier	1	39-Month Lease
MJ1111B	Stapling finisher	1	\$169.29 per month
GD 1370N	Fax board	1	
		DELIVERY	Included
		SALES TAX	6.35% of lease payment
		TOTAL DUE	N/A

Notes / Provisions

- Delivery, installation and training is included.
- The cost to remove and return the current Toshiba e-Studio 657 system to the leasing company is included.
- The all-inclusive service and maintenance agreement will be billed at \$.0065 per page

CUSTOMER: Marlborough Health Care Center

The Office Works, Inc.

Authorized Signature Michael Bokow FOR MARLBOROUGH

Accepted By _____

Print Name MICHAEL BOKOW

Print Name _____

Title PURCHASING

Title _____

Date 6/1/19Phone 516 705 41800

Sales Associate _____



LEASE AGREEMENT

1720A Crete Street, Moberly, MO 65270
Phone: 800-662-3759, Fax: 800-426-2626

LESSEE LEGAL NAME Marlborough Health Care Center Inc		Telephone No: 8602959531			
Billing Address: 85 Stage Harbor Road, MARLBOROUGH, CT 06447		Equipment Location (if other than Billing Address): 85 Stage Harbor Road, Marlborough, CT 06447-1113			
EQUIPMENT DESCRIPTION: (indicate quantity, new or used and include make, model, serial # and all attachments – see below and/or attached Schedule A)					
Unit Quantity	Description of Equipment Leased	Make and Type	Model Number	Serial Number	
1	Toshiba e-Studio 6518A Copier System				
BASE TERM IN MONTHS 39	TOTAL NUMBER OF LEASE PAYMENTS 39 @ \$169.29 (plus taxes)	END OF LEASE PURCHASE OPTION			
		<input checked="" type="checkbox"/> Fair market value, plus taxes	(a) Advance Payment: \$0.00		
		<input type="checkbox"/> 10% of Equipment cost, plus taxes	(b) Security Deposit: \$0.00		
		<input type="checkbox"/> \$1.00, plus taxes	(c) Documentation Fee: \$95.00		
(FMV unless another option is selected. You may not exercise a purchase option if you are in default. If you exercise a purchase option we will convey all of our right, title and interest in such Equipment to you on an AS-IS WHERE IS without warranty.)			Total due a + b + c =: \$95.00		

****If more than one lease payment is required as an Advance Payment, the balance will be applied to lease payments in inverse order, starting with the last lease payment. Your obligation to pay all amounts and perform all other obligations is non-cancellable, absolute, unconditional and not subject to abatement, set-off or defense.**

In this agreement ("Lease"), "we," "our," and "us" refers to OLEAF Capital Funding, LLC as Lessor and "you" and "your" refer to the Lessee. You agree to lease the Equipment upon the following terms and conditions:

1. LEASE PAYMENTS AND TERM: The Lease is enforceable on you upon your execution. The term of the Lease shall commence on the date the Equipment is delivered to you ("Lease Commencement Date"). The first Lease Payment shall be due on the date we specify in the month following the Lease Commencement Date as set forth in our invoice, and the remaining Lease Payments will be due on the same day of each subsequent month (each, a "Payment Date") until paid in full. The Base Term shall commence on the date one month prior to the first Payment Date. We may charge you a portion of one Lease Payment for the period from the Lease Commencement Date until the first day of the Base Term ("Interim Rent"). The Interim Rent shall be due as invoiced. We may adjust the Lease Payments up to 15% if the actual costs are different than the estimate used to calculate the Lease Payments. On an annual basis, the Monthly Payment may be increased by a maximum of 15% of the amount previously then in effect.

2. DELIVERY, ACCEPTANCE, USE AND REPAIR: You are responsible for Equipment delivery and installation. You unconditionally accept the Equipment upon the earlier of (a) your oral or written acceptance of the Equipment, or (b) 10 days after delivery of the Equipment. You authorize us to fill in the Lease Commencement Date, serial numbers and other information. You will not move the Equipment from the above location without our written consent and are responsible for maintaining the Equipment in good repair. We are not responsible for Equipment or vendor failures.

3. INDEMNIFICATION: You agree to indemnify, defend and hold us harmless from and against any losses, damages, penalties, claims and suits, including attorneys' fees and expenses related to the ordering, manufacture, installation, ownership, condition, use, lease, possession, delivery or return of Equipment.

4. LEASE EXPIRATION, RENEWAL: Unless you notify us at least 90 days prior to the expiration of the Lease of your election to return or purchase the Equipment, this Lease will renew on a month-to-month basis at the same monthly Lease Payment until you either exercise the purchase option or provide us with at least 90 days notice and return the Equipment. If you return the Equipment, (i) it must be to the location we designate and you are responsible for all return costs and we may charge a Restocking Fee equal to one Lease Payment, and (ii) you must securely remove all data from any and all disk drives or magnetic media prior to returning the Equipment (and you are solely responsible for selecting an appropriate removal standard that meets your business needs and complies with applicable laws). You will pay us for any loss in value resulting from failure to maintain the Equipment in accordance with this Lease or for damages incurred in shipping and handling. If you exercise a purchase option we will convey all of our interest in such Equipment to you on an AS-IS WHERE IS basis without representation or warranty.

5. LATE FEES AND CHARGES: If any amount is not paid within three (3) days of when due, you agree to pay us a late charge equal to the lesser of 10% of the amount past due or the maximum legal amount. Amounts which are not paid within 30 days of when due shall accrue interest at 1.5% per month (or if less, the maximum legal rate) until paid. You agree to pay \$25 for each pay by phone and \$35 for each returned payment.

6. NO WARRANTY: We do not manufacture the Equipment and you have selected the Equipment and the supplier. **WE MAKE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING THOSE OF MERCHANTABILITY OR FITNESS FOR A PURPOSE AND ARE NOT RESPONSIBLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES.**

7. INSURANCE, RISK OF LOSS: You bear all risk of loss or damage to the Equipment from its order until it is returned in the required condition or purchased by you ("Risk Period"). During the Risk Period you will maintain property and liability insurance on the Equipment acceptable to us, naming us loss payee and additional insured. If you do not provide us with proof of such insurance, we may secure insurance on the Equipment to cover

our interests (and only our interests). If we obtain such insurance, you will pay us an additional amount for the cost of it and an administrative fee, the cost of which may be more than the cost to obtain your own insurance and on which we may make a profit.

8. OWNERSHIP AND TAXES: We own the Equipment (excluding licensed software). If you are deemed to own it, you grant us a security interest in the Equipment. You authorize us to file UCC financing statements to confirm our interest. You will pay, when due, all taxes, fines and penalties relating to the purchase, use, leasing and/or ownership of the Equipment. If we pay any taxes, (including property tax), fees or penalties on your behalf, you will pay us the amount we paid plus an administrative fee. You agree to pay us the documentation fee specified above or if not so specified, the greater of either \$125 or 0.5% of the Equipment cost. If we require an Equipment site inspection, or you request administrative services, you agree to reimburse our costs.

9. DEFAULT: If you or any guarantor do not pay us any amount within ten (10) days of its due date, or breach any terms of this Lease, any guaranty or any license relating to the Equipment, you will be in default. If you default, we may require you to do any combination of the following: (a) immediately pay all amounts then due, plus the present value of the remaining Lease Payments, Interim Rent and residual value of the Equipment, as determined by us, discounted at an annual rate of 3%; (b) return all of the Equipment; (c) allow us to repossess the Equipment; or (d) use any and all remedies available to us under applicable law. If you default, you agree to pay the cost of repossession and our attorney's fees and costs. In addition to all other charges and as reimbursement for expenses incurred and not as a penalty, we may require you to reimburse us for the phone calls, letters, and any additional expense incurred in the collection or servicing of this Lease for you. If we take possession of the Equipment, we may sell or otherwise dispose of it with or without notice, at a public or private sale, and apply the net proceeds (after we have deducted all costs related to the sale or disposition of the Equipment) to the amounts that you owe us. You agree that if notice of sale is required by law, 10 days' notice shall constitute reasonable notice. You remain responsible for any amounts that are due after we have applied such net proceeds. We may apply any security deposits to your obligations and if you do not default, the balance will be refunded without interest.

10. ASSIGNMENT: You have no right to sell or assign the Equipment or Lease. We may sell or assign our rights in the Lease and/or Equipment and the new owner will have all our rights but will not be subject to any claim or defense you have against us.

11. ARTICLE 2A: You agree this Lease is a "finance lease" as defined in Article 2A of the Uniform Commercial Code. You waive all rights and remedies conferred upon a lessee by Article 2A (508-522) of the UCC. You have received a copy of the Supply Contract or been informed of the identity of the Supplier and you may have rights under the Supply Contract and may contact the Supplier for a description of those rights.

12. CREDIT INFORMATION: You authorize us or any of our affiliates to obtain credit bureau reports, and make other credit inquiries that we deem necessary.

13. CHOICE OF LAW: THIS LEASE WILL BE GOVERNED BY PENNSYLVANIA LAW. YOU CONSENT TO JURISDICTION IN THE STATE OR FEDERAL COURTS IN PENNSYLVANIA AND WAIVE ANY RIGHT TO A TRIAL BY JURY.

14. MISCELLANEOUS: This Lease is the parties' entire agreement and can be amended only in writing signed by both parties. This Lease may be executed in counterparts (manually or by electronic means) and, when transmitted to us shall be binding upon you for all purposes. This Lease is not binding on us until we sign it. You agree not to raise as a defense to the enforcement of this Lease that it was executed or transmitted to us by electronic means. You will use the Equipment only for business purposes and not for personal, family or household use. The USA PATRIOT Act requires us to obtain, verify, and record information that identifies you that we ask for your name, address and other information or documents that substantiate your identity.

ACCEPTED BY LESSEE: Marlborough Health Care Center Inc	Print Name: <u>MICHAEL BOKOW</u>	Title: <u>Purchasing</u>
<input checked="" type="checkbox"/> Lessee Authorized Signature	E-Mail Address: <u>FOR MARLBOROUGH</u>	Date: <u>6/1/19</u>
	Tag ID Number: 061101529	

PERSONAL GUARANTY: Undersigned guarantees that Lessee will make all payments and perform all other obligations under the Lease when due. Undersigned agrees that this is a guaranty of payment and not of collection, and that we can proceed directly against undersigned without first proceeding against Lessee or the Equipment. Undersigned also waives all suretyship defenses and notification if the Lessee is in default and consents to any extensions or modifications granted to Lessee. Undersigned will pay us all expenses (including attorneys' fees) we incur in enforcing our rights against undersigned or Lessee. If more than one person signs this guaranty, each agrees that his/her liability is joint and several. Undersigned authorizes us and our affiliates to obtain credit bureau reports and make inquiries regarding undersigned's personal credit. You consent to jurisdiction in the State or Federal courts in Pennsylvania and expressly waive any right to a trial by jury.		
--	--	--

SIGNED <input checked="" type="checkbox"/>	Print Name: _____	E-Mail Address: _____
Accepted by: OLEAF Capital Funding, LLC	Title: _____	Date: _____



**SCHEDULE A TO LEASE AGREEMENT
(EQUIPMENT DESCRIPTION)**

Lease Application No.: **520446**

QNT	Equipment Description	New/Used	Make	Model	Serial Number
-----	-----------------------	----------	------	-------	---------------

Location: 85 Stage Harbor Road, Marlborough, CT 06447-1113

1 Toshiba e-Studio 6518A Copier System New

LESSEE: Marlborough Health Care Center Inc

LEAF CAPITAL FUNDING, LLC

BY: X FOR MARLBOROUGH
PRINT NAME: MICHAEL BOLOW
TITLE: PURCHASING
DATE: 6/11/19

BY: _____
PRINT NAME: _____
TITLE: _____
DATE: _____

General Information and Questionnaire

Accounting Basis

Name of Facility Marlborough Health Care Center, I	License No. 200RH	Report for Year Ended 9/30/2019	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:

Accrual Cash Modified Cash

Is the accounting basis for this

period the same as for the previous period?

Yes

No

If "No," explain.

N/A

Independent Accounting Firm

Name of Accounting Firm 1 Blum, Shapiro & Company, P.C. 2 3 4	Address (No. & Street, City, State, Zip Code) 2 Enterprise Drive, Shelton, CT 06484
---	--

Services Provided by This Firm (*describe fully*)

1 Compilation, Preparation of Medicare and Medicaid Cost Reports and YE Tax Services 2 3 4	\$ 26,610 \$ \$ \$
	Charge for Services Provided \$ 26,610

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

Yes No Page 15, Line 1d

Legal Services Information

Name of Legal Firm or Independent Attorney 1 GOLDMAN GRUDER & WOOD 2 ROGIN NASSAU, LLC 3 4 5	Telephone Number 203-899-8900 203-278-7480
---	--

Address (No. & Street, City, State, Zip Code)

1 200 CONNECTICUT AVENUE NORWALK CT 06854 2 185 ASYLYM STREET -22ND FLOOR HARTFORD CT 06103-3460 3 4 5
--

Services Provided by This Firm (*describe fully*)

1 Collections (Disallowed on Pg 28) 2 Refinancing Costs (Disallowed on Pg 28) 3 4 5	\$ 4,245 \$ 15,341 \$ \$ \$
	Charge for Services Provided \$ 19,586

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

Yes No Page 15, Line 1e

Schedule of Resident Statistics

Name of Facility Marlborough Health Care Center, Inc.			License No. 200RH				Report for Year Ended 9/30/2019				Page 8 of 37	
	Total All Levels	Total CCNH Level	Total RHNS Level	Total (Specify)	Period 10/1 Thru 6/30				Period 7/1 Thru 9/30			
					Total	CCNH	RHNS	(Specify)	Total	CCNH	RHNS	(Specify)
1. Certified Bed Capacity					120	120			120	120		
A. On last day of PREVIOUS report period	120	120			120	120			120	120		
B. On last day of THIS report period	120	120			120	120			120	120		
2. Number of Residents					94	94			103	103		
A. As of midnight of PREVIOUS report period	94	94			94	94			103	103		
B. As of midnight of THIS report period	106	106			103	103			106	106		
3. Total Number of Days Care Provided During Period					1,903	1,903			801	801		
A. Medicare	2,704	2,704			1,903	1,903			801	801		
B. Medicaid (Conn.)	28,935	28,935			21,575	21,575			7,360	7,360		
C. Medicaid (other states)												
D. Private Pay	2,828	2,828			1,995	1,995			833	833		
E. State SSI for RCH												
F. Other (Specify) Managed Care / Hospice	2,463	2,463			1,891	1,891			572	572		
G. Total Care Days During Period (3A thru F)	36,930	36,930			27,364	27,364			9,566	9,566		
4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds					1	1						
A. Medicaid Bed Reserve Days	1	1			1	1						
B. Other Bed Reserve Days												
5. Total Resident Days (3G + 4A + 4B)	36,931	36,931			27,365	27,365			9,566	9,566		

Schedule of Resident Statistics (Cont'd)

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 9	of 37
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4. Were there any changes in the certified bed capacity during the report year? Yes No

If "YES", provide the following information:

Date of Change	Place of Change			Change in Beds						Capacity After Change			Reason for Change	
	CCNH	RHNS	(Specify)	Lost			Gained			CCNH	RHNS	(Specify)		
				(1)	(2)	(3)	(1)	(2)	(3)					
N/A														

5. If there was any change in certified bed capacity during the report year (as reported in item 4 above) provide the number of RESIDENT DAYS for 90 days following the change.

1st change	Change in Resident Days			CCNH	RHNS	(Specify)
	CCNH	RHNS	(Specify)	CCNH	RHNS	(Specify)
1st change						
2nd change						
3rd change						
4th change						

6. Number of Residents and Rates on September 30 of Cost Year

Item	Medicare	Medicaid		Self-Pay			Other State Assisted	
	CCNH	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR
No. of Residents	6	81		19				
Per Diem Rate								
a. One bed rm.	Various	230.48		515.00				
b. Two bed rms.	Various	230.48		480.00				
c. Three or more bed rms.								

7. Total Number of Physical Therapy Treatments	TOTAL		CCNH	RHNS	(Specify)
	CCNH	RHNS	CCNH	RHNS	(Specify)
A. Medicare - Part B		2,367	2,367		
B. Medicaid (Exclusive of Part B)					
1. Maintenance Treatments					
2. Restorative Treatments		566	566		
C. Other		12,063	12,063		
D. Total Physical Therapy Treatments		14,996	14,996		

8. Total Number of Speech Therapy Treatments	TOTAL		CCNH	RHNS	(Specify)
	CCNH	RHNS	CCNH	RHNS	(Specify)
A. Medicare - Part B		510	510		
B. Medicaid (Exclusive of Part B)					
1. Maintenance Treatments					
2. Restorative Treatments		17	17		
C. Other		974	974		
D. Total Speech Therapy Treatments		1,501	1,501		

9. Total Number of Occupational Therapy Treatments	TOTAL		CCNH	RHNS	(Specify)
	CCNH	RHNS	CCNH	RHNS	(Specify)
A. Medicare - Part B		2,699	2,699		
B. Medicaid (Exclusive of Part B)					
1. Maintenance Treatments					
2. Restorative Treatments		496	496		
C. Other		11,382	11,382		
D. Total Occupational Therapy Treatments		14,577	14,577		

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended		Page	of
		200RH	9/30/2019	10	37
Are time records maintained by all individuals receiving compensation?		<input checked="" type="radio"/> Yes <input type="radio"/> No			
		Total Cost and Hours			
Item	CCNH	Hours	RHNS	Hours	(Specify) Hours
A. Salaries and Wages*					
1. Operators/Owners (Complete also Sec. I of Schedule A1)	25,954	56			
2. Administrator(s) (Complete also Sec. III of Schedule A1)	146,652	2,080			
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)					
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	142,202	7,185			
5. Dietary Service					
a. Head Dietitian	25,645	713			
b. Food Service Supervisor	59,607	2,080			
c. Dietary Workers	322,326	19,166			
6. Housekeeping Service					
a. Head Housekeeper					
b. Other Housekeeping Workers	234,567	15,589			
7. Repairs & Maintenance Services					
a. Engineer or Chief of Maintenance	28,335	1,013			
b. Other Maintenance Workers	84,650	3,373			
8. Laundry Service					
a. Supervisor					
b. Other Laundry Workers	26,466	1,332			
9. Barber and Beautician Services					
10. Protective Services					
11. Accounting Services					
a. Head Accountant					
b. Other Accountants					
12. Professional Care of Residents					
a. Directors and Assistant Director of Nurses	109,700	2,080			
b. RN					
1. Direct Care	618,296	16,701			
2. Administrative**	220,501	6,346			
c. LPN					
1. Direct Care	874,413	29,072			
2. Administrative**					
d. Aides and Attendants	1,473,068	90,410			
e. Physical Therapists					
f. Speech Therapists					
g. Occupational Therapists					
h. Recreation Workers	99,359	4,855			
i. Physicians					
1. Medical Director					
2. Utilization Review					
3. Resident Care***					
4. Other (Specify)					
j. Dentists					
k. Pharmacists					
l. Podiatrists					
m. Social Workers/Case Management	72,260	2,393			
n. Marketing					
o. Other (Specify)					
See Attached Schedule	79,694	2,594			
<i>A-13. Total Salary Expenditures</i>	4,643,695	207,038			

* Do not include in this section any expenditures paid to persons who receive a fee for services rendered or who are paid on a contract basis.

** Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

*** This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

Schedule of Other Salaries and Wages (Page 10)

Schedule of Other Fees (Page 13)

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-11 Rev. 10/2005

**Schedule A1 - Salary Information for Operators/Owners; Administrators,
Assistant Administrators and Other Related Parties***

Name of Facility				License No.		Report for Year Ended			Page	of
Marlborough Health Care Center, Inc.				200RH		9/30/2019			11	37
Name	Salary Paid			Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS	(Specify)							
Section I - Operators/Owners										
Marvin J Ostreicher	25,954			Non Discriminatory	Supervises Operations, Deals with DNS &	56	A1			
Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).										

* No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.

** Include **all** employment worked during the cost year.

Marlborough Health & Rehab**Marvin J Ostreicher Time Study****9/30/2019**

BEDS	Total w/ Bnft
-------------	----------------------

Bethel	161	66.00
Bloomfield	120	67.00
Bristol	132	60.00
Cambridge	160	73.00
Hebrew Home	257	111.00
Ludlowe	144	60.00
Maple View	120	58.00
Marlborough	120	56.00
Milford	120	60.00
Regency	130	62.00
Riverside	345	93.00
Village Crest	95	58.00
Water's Edge	150	64.00
Augusta	72	57.00
Belair	102	53.00
Brattleboro	80	65.00
Brentwood	78	50.00
Brewer	111	64.00
Catskill	136	58.00
Colony	92	55.00
Country	111	58.00
Dover	112	58.00
Eastside	69	51.00
Eliot	114	62.00
Glen Falls	120	56.00
Huntington	320	94.00
Kennebunk	78	51.00
Maywood	120	65.00
Newton Wellseley	110	58.00
Norway	70	48.00
Poughkeepsie	200	74.00
Reservoir	144	71.00
Rutland	125	64.00
Sachem	111	54.00
Sands Point	180	70.00
Utica	117	53.00
Westgate	104	59.00
Winship	72	50.00

Vacation/PTO

Sick

Personal

Holiday

Total 2,948 1,498.00

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-12 Rev. 10/2005

**Schedule A1 - Salary Information for Operators/Owners; Administrators,
Assistant Administrators and Other Related Parties***

Name of Facility (as licensed)				License No.		Report for Year Ended			Page	of
Marlborough Health Care Center, Inc.				200RH		9/30/2019			12	37
Name	Salary Paid			Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS	(Specify)							
Section III - Administrators***										
Robert Guastella (1/6/19-9/30/19)	114,440			Non Discriminatory	Administrator	1,664	A2			
Thomas Harris (10/1/18-1/5/19)	32,212			Non Discriminatory	Administrator	416	A2			
Section IV - Assistant Administrators										

*No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.

** Include all other employment worked during the cost year.

*** If more than one Administrator is reported, include dates of employment for each.

B. Report of Expenditures - Professional Fees

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019		Page 13	of 37	
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)						
1. Dietitian	3,585	109				
2. Dentist	7,275	131				
3. Pharmacist	14,054	187				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	278,656	5,213				
b. Other						
6. Social Worker	880	10				
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	69,300	128				
b. Utilization Review (Title 18 and 19 only) monthly meeting						
c. Resident Care**						
d. Administrative Services facility						
1. Infection Control Committee (Quarterly meetings)						
2. Pharmaceutical Committee (Quarterly meetings)						
3. Staff Development Committee (Once annually)						
e. Other (Specify)						
9. Speech Therapist						
a. Resident Care	62,935	1,043				
b. Other						
10. Occupational Therapist						
a. Resident Care	273,632	4,891				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	2,229	37				
2. Administrative***						
b. LPN						
1. Direct Care						
2. Administrative***						
c. Aides	5,537	214				
d. Other						
12. Other (Specify)						
See Attached Schedule	23,926	406				
B-13 Total Fees Paid in Lieu of Salaries	742,009	12,369				

* Do not include in this section management consultants or services which must be reported on Page 16 item M-12 and supported by required information, Page 17.

** This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

*** Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

Report of Expenditures

Schedule B1 - Information Required for Individual(s) Paid on Fee for Service Basis*

* Use additional sheets if necessary.

** Refer to Page 4 for definition of related.

C. Expenditures Other Than Salaries - Administrative and General

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 15	of 37
Item		Total	CCNH	RHNS
1. Administrative and General				
a. Employee Health & Welfare Benefits				
1. Workmen's Compensation	\$ 234,718	234,718		
2. Disability Insurance	\$			
3. Unemployment Insurance	\$ 56,482	56,482		
4. Social Security (F.I.C.A.)	\$ 341,372	341,372		
5. Health Insurance	\$ 577,101	577,101		
6. Life Insurance (employees only) (not-owners and not-operators)	\$			
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$ 12,431	12,431		
8. Uniform Allowance	\$			
9. Other (<i>Specify</i>) See Attached Schedule	\$ 2,944	2,944		
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$			
c. Bad Debts*	\$ 304,351	304,351		
d. Accounting and Auditing	\$ 26,610	26,610		
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 19,586	19,586		
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$			
g. Office Supplies	\$ 12,529	12,529		
h. Telephone and Cellular Phones				
1. Telephone & Pagers	\$ 54,133	54,133		
2. Cellular Phones	\$ 683	683		
i. Appraisal (<i>Specify purpose and attach copy</i>)*	\$			
j. Corporation Business Taxes (<i>franchise tax</i>)	\$			
k. Other Taxes (<i>Not related to property - See Page 22</i>)				
1. Income*	\$			
2. Other (<i>Specify</i>) See Attached Schedule	\$			
3. Resident Day User Fee	\$ 674,322	674,322		
Subtotal	\$ 2,317,262	2,317,262		

* Facility should self-disallow the expense on Page 28 of the Cost Report.

(Carry Subtotals forward to next page)

***** DO NOT Include Holiday Parties / Awards / Gifts to Staff**

Attachment Page 15

Schedule of Other Employee Benefits

Schedule of Other Taxes

Description	CCNH	RHNS	(Specify)
	-		
Total	\$ -	\$ -	\$ -

C. Expenditures Other Than Salaries (cont'd) - Administrative and General

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019		Page 16	of 37
Item		Total	CCNH	RHNS	(Specify)
	<i>Subtotals Brought Forward:</i>	2,317,262	2,317,262		
I. Travel and Entertainment					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$	1,983	1,983		
3. Gifts to Staff and Residents	\$	6,887	6,887		
4. Employee Travel	\$	7,775	7,775		
5. Education Expenses Related to Seminars and Conventions	\$	1,362	1,362		
6. Automobile Expense (<i>not purchase or depreciation</i>)	\$	1,289	1,289		
7. Other (<i>Specify</i>) See Attached Schedule	\$				
m. Other Administrative and General Expenses					
1. Advertising Help Wanted (<i>all such expenses</i>)	\$				
2. Advertising Telephone Directory (<i>all such expenses</i>)***	\$				
3. Advertising Other (<i>Specify</i>)*** See Attached Schedule	\$	20,600	20,600		
4. Fund-Raising***	\$				
5. Medical Records	\$				
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$				
7. Postage	\$	3,236	3,236		
* 8. Dues and Membership Fees to Professional Associations (<i>Specify</i>) See Attached Schedule	\$	9,079	9,079		
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$				
9. Subscriptions	\$	6,242	6,242		
10. Contributions*** See Attached Schedule	\$	500	500		
11. Services Provided by Contract (<i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i>)	\$	89,901	89,901		
12. Administrative Management Services**	\$	507,158	507,158		
13. Other (<i>Specify</i>) See Attached Schedule	\$	85,259	85,259		
C-14 Total Administrative & General Expenditures	\$	3,058,533	3,058,533		

* Do not include Subscriptions, which should go in item 9.

** Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

*** Facility should self-disallow the expense on Page 28 of the Cost Report.

Schedule of Other Travel and Entertainment

Description	CCNH	RHNS	(Specify)
	-		
Total Other Travel and Entertainment	\$ -	\$ -	\$ -

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
Promotional Advertising (Disallowed on Pg 28)	\$ 18,408		
Marketing Supplies (Disallowed on Pg 28)	2,192		
Total Other Advertising	\$ 20,600	\$ -	\$ -

Schedule of Dues

Description	CCNH	RHNS	(Specify)
CAHCF Dues	\$ 9,079		
Total Dues	\$ 9,079	\$ -	\$ -

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
Donations (Disallowed on Pg 28)	500		
Total Contributions	\$ 500	\$ -	\$ -

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
Computer License Fee	\$ 365		
Licenses and Permits	772		
Penalties (Disallowed on Pg 28a)	564		
Bank Charges	28,627		
Miscellaneous Expenses (Disallowed on Pg 28a)	10,333		
Prior Period Expenses (Disallowed on Pg 28a)	44,598		
Total Other Administrative and General	\$ 85,259	\$ -	\$ -

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-17 Rev. 10/97

Schedule C-1 - Management Services*

Name of Facility	License No.	Report for Year Ended	Page of
Marlborough Health Care Center, Inc.	200RH	9/30/2019	17 37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
National Healthcare Associates, Inc.	507,158	Shared Expenses	Page 16 / Line m12

* In addition to management fees reported on page 16, line m12 include any additional management company charges or allocations of home office overhead costs reported elsewhere in the Annual Report.

C. Expenditures Other Than Salaries (cont'd) - Dietary Basis for Allocation of Costs (See Note on Page 5)

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019		Page 18 of 37
Item	Total	CCNH	RHNS	(Specify)
2. Dietary				
a. In-House Preparation & Service				
1. Raw Food	\$ 255,262	255,262		
2. Non-Food Supplies	\$ 38,209	38,209		
3. Other (Specify) _____	\$ _____			
b. Purchased Services (<i>by contract other than through Management Services</i>) <i>(Complete Schedule C-2 att. Page 21)</i>	\$ 9,495	9,495		
c. Other (Specify) _____	\$ _____			
2D. Total Dietary Expenditures (2a + b + c + d)	\$ 302,966	302,966		
2E. Dietary Questionnaire	Total	CCNH	RHNS	(Specify)
F. Resident Meals: Total no. of meals served per day:*				
G. Is cost of employee meals included in 2D? <input type="radio"/> Yes <input checked="" type="radio"/> No				
H. Did you receive revenue from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No				If yes, specify amt.
I. Where is the revenue received reported in the Cost Report? (Page/Line Item)				
J. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2D?	<input type="radio"/> Yes <input checked="" type="radio"/> No			If yes, specify cost.
K. Is any revenue collected from these people? <input type="radio"/> Yes <input checked="" type="radio"/> No				If yes, specify amt.
L. Where is the revenue received reported in the Cost Report? (Page/Line Item)				
M. Is cost of food (other than meals, e.g., snacks provided to employees included in 2D?) at monthly staff meetings, board meetings)	<input type="radio"/> Yes <input checked="" type="radio"/> No			If yes, specify cost.
N. Is any revenue collected from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No				If yes, specify amt.
O. Where is the revenue received reported in the Cost Report? (Page/Line Item)				

* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.

C. Expenditures Other Than Salaries (cont'd) - Laundry Basis for Allocation of Costs
(See Note on Page 5)

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019		Page 19	of 37
Item	Total	CCNH	RHNS	(Specify)	
3. Laundry					
a. In-House Processing*	Lbs.				
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***	Amt. \$	119	119		
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***	Lbs.				
	Amt. \$				
3. Personal clothing of residents washed, ironed, and/or processed.***	Lbs.				
	Amt. \$				
4. Repair and/or purchase of linens.***	Lbs.				
	Amt. \$				
b. Purchased Services (<i>by contract other than through Management Services</i>) (Complete Schedule C-2 att. Page 21)	\$	147,602	147,602		
c. Other (Specify) Laundry Supplies / Diapers	\$	40,155	40,155		
3D. Total Laundry Expenditures (3a + b + c)	\$	187,876	187,876		
3E. Laundry Questionnaire					
F. Is cost of employee laundry included in 3D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
G. Did you receive revenue from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
H. Where is the revenue received reported in the Cost Report?	(Page/Line Item)				
I. Is Cost of laundry provided to persons other than employees or residents included in 3D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
J. Did you receive revenue from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
K. Where is the revenue received reported in the Cost Report?	(Page/Line Item)				

* Do not include salaries from page 10 as part of dollar values recorded in 1, 2, 3, and 4.

All allocations should add to total recorded in 3D.

*** Pounds of Laundry only required for multi-level facilities.

C. Expenditures Other Than Salaries (cont'd) - Housekeeping and Resident Care
Basis for Allocation of Costs (See Note on Page 5)

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019		Page 20	of 37
Item		Total	CCNH	RHNS	(Specify)
4. Housekeeping	Sq. Ft. Serviced by Personnel				
a. In-House Care	Amt.	\$ 24,566	24,566		
1. Supplies - Cleaning (<i>Mops, pails, brooms, etc.</i>)					
b. Purchased Services (<i>by contract other than through Management Services</i>) (<i>Complete Schedule C-2 att. Page 21</i>)	Sq. Ft. Serviced by Personnel				
	Amt.	\$			
C. Other (Specify)	\$				
4D. Total Housekeeping Expenditures (4a + b + c)	\$	24,566	24,566		
5. Resident Care (Supplies)**					
a. Prescription Drugs***					
1. Own Pharmacy	\$	296,972	296,972		
2. Purchased from	\$				
b. Medicine Cabinet Drugs	\$	13,000	13,000		
c. Medical and Therapeutic Supplies	\$	79,723	79,723		
d. Ambulance/Limousine***	\$	31,472	31,472		
e. Oxygen					
1. For Emergency Use	\$				
2. Other***	\$	13,249	13,249		
f. X-rays and Related Radiological Procedures***	\$	18,442	18,442		
g. Dental (<i>Not dentists who should be included under salaries or fees</i>)	\$				
h. Laboratory***	\$	16,404	16,404		
i. Recreation	\$	25,976	25,976		
j. Direct Management Services*	\$				
k. Indirect Management Services*	\$				
l. Other (Specify)****	\$	79,479	79,479		
See Attached Schedule					
5M. Total Resident Care Expenditures (5a - 5j)	\$	574,717	574,717		

* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

** Do not include any fees to professional staff, these should be reported on Page 13, or, if paid on salary basis, on Page 10.

*** Facility should self-disallow the expense on Page 29 of the Cost Report.

**** ICFMR's should provide a detailed schedule of all Day Program Costs.

Schedule of Other Resident Care

Report of Expenditures
Schedule C-2 - Individuals or Firms Providing Services by Contract *

Name of Facility Marlborough Health Care Center, Inc.				License No. 200RH	Report for Year Ended 9/30/2019				Page of 21 37	
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	Total Cost/Page Ref.***				
		Yes	No			CCNH	RHNS	(Specify)	Pg	Line
ADP	P.O. Box 842875, Boston, MA 02284	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Payroll Processing	13,294				16 11
Unitex Textile Rental	Parkway, Mt. Vernon, NY 10550	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Laundry / Linen	122,364				19 3b
Med Apparel	Parkway, Mt. Vernon, NY 10550	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Laundry / Linen	25,237				19 3b
MJ Daly	110 Mattatuck Heights Waterbury, CT 06705	<input type="radio"/>	<input checked="" type="radio"/>	N/A	HVAC	45,426				22 6f
Aqua Compliance	290 Buckley Road, Salem, CT 06420	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Cesspool Maintenance	20,907				22 6f
Junga Electric LLC	19 Candlewood RD Milford, CT 06461	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Electrical Maintenance	11,679				22 6f
All Waste, Inc.	143 Murphy Rd, Hartford, CT 06114	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Garbage Disposal	32,825				22 6f
BLAKE EQUIPMENT CO.	1340, Woburn MA 01888	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Water Pump Service	10,857				22 6f
MC LAWNS & ALL LANDSCAPING	53 Edgerton St, East Hampton CT 06424	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Landscaping / Snow Removal	11,294				22 6f
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							

* List all contracted services over \$10,000. Use additional sheets if necessary.

** Refer to Page 4 for definition of related.

*** Please cross-reference amount to the appropriate page in the Annual Report (Pages 16, 18, 19, 20 or 22).

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-22 Rev. 6/95

C. Expenditures Other Than Salaries (cont'd) - Maintenance and Property

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019			Page 22	of 37
Item		Total	CCNH	RHNS	(Specify)	
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$					
b. Heat	\$	68,490	68,490			
c. Light & Power	\$	142,316	142,316			
d. Water	\$	65,100	65,100			
e. Equipment Lease (<i>Provide detail on page 6</i>)	\$	48,553	48,553			
f. Other (<i>itemize</i>)	\$	208,074	208,074			
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$	532,533	532,533			
7. Depreciation (<i>complete schedule page 23*</i>)						
a. Land Improvements	\$	154	154			
b. Building & Building Improvements	\$	80,251	80,251			
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$	42,732	42,732			
*7e. Total Depreciation Costs (7a + b + c + d)	\$	123,137	123,137			
8. Amortization (<i>Complete att. Schedule Page 24*</i>)						
a. Organization Expense	\$					
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$	86,949	86,949			
d. Other (<i>Specify</i>)	\$					
*8e. Total Amortization Costs (8a + b + c + d)	\$	86,949	86,949			
9. Rental payments on leased real property less real estate taxes included in item 10b	\$	360,000	360,000			
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$	102,466	102,466			
c. Personal property taxes	\$	14,232	14,232			
11. Total Property Expenses (7e + 8e + 9 + 10)	\$	686,784	686,784			

* Amounts entered in these items must agree with detail on Schedule for Depreciation and Amortization Page 23 and Page 24.

Schedule of Other Repairs and Maintenance

Depreciation Schedule

Name of Facility Marlborough Health Care Center, Inc.				License No. 200RH			Report for Year Ended 9/30/2019			Page 23	of 37	
Property Item				Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals	
A. Land Improvements												
1. Acquired prior to this report period				9,235		9,235	154	S/L	Various	154		
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
A-4. Subtotal											154	
B. Building and Building Improvements												
1. Acquired prior to this report period				2,006,285		2,006,285	* 348,196	S/L	Various	80,251		
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
B-4. Subtotal											80,251	
C. Non-Movable Equipment												
1. Acquired prior to this report period												
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
C-4. Subtotal												
	Is a mileage logbook maintained?		Date of Acquisition		Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals
	Yes	No	Month	Year								
D. Movable Equipment												
1. Motor Vehicles (Specify name, model and year of each vehicle)												
a.												
b.												
c.												
d.												
2. Movable Equipment												
a. Acquired prior to this report period												
b. Disposals (attach schedule)												
c. Acquired during this report period (attach schedule)												
D-3. Subtotal												42,732
E. Total Depreciation												123,137

* Building Accumulated Depreciation does not tie to prior year as it was adjusted for approved CON amount.

Schedule of Land Improvements Acquired during this report period

*Ties to Page 23, Line A3

**Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

*Ties to Page 23, Line B3

**Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

*Ties to Page 23, Line C3

**Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
12/31/2018	Electric bed 80"	\$ 2,653	12	\$ 221
1/31/2019	Electric bed	3,875	15	258
1/31/2019	Bedside cabinet	5,339	12	445
2/28/2019	AED Garment with Elect	2,935	5	587
2/28/2019	Drawer chest	1,990	10	199
7/31/2019	Lift Gate	2,549	10	255
7/31/2019	Digital scale	1,501	5	300
7/31/2019	Head/Foot board	725	10	72
7/31/2019	Electric bed 80"	3,638	12	303
8/31/2019	Electric bed 80"	1,404	12	117
9/30/2019	Laptop	1,229	5	246
Total additions for Movable Equipment		\$ 27,836		\$ 3,003 *
Deletions:				
Total deletions for Movable Equipment		\$ -		\$ - **

*Ties to Page 23, Line D2c

**Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
10/31/2018	Carpet	\$ 3,097	10	\$ 310
10/31/2018	Fire Doors	13,662	8	1,708
11/30/2018	Well #2	19,998	25	800
12/31/2018	HVAC	3,039	10	304
12/31/2018	HVAC	3,860	10	386
12/31/2018	HVAC	5,807	10	581
2/28/2019	Painting	2,215	10	222
3/31/2019	Hot water boiler	9,875	10	987
3/31/2019	Painting	5,724	5	1,145
4/30/2019	Painting	633	10	63
5/31/2019	Painting	5,380	10	538
6/30/2019	Telephone System	5,750	10	575
6/30/2019	Painting	6,013	10	601
7/31/2019	Carpet flooring/Wall Bumper	58,663	10	5,866
8/31/2019	Painting	4,249	10	425
8/31/2019	Pump	12,570	15	838
8/31/2019	Storage Tank	3,506	10	351
8/31/2019	Flood, light fixtures	3,478	10	348
Total additions for Leasehold Improvement		\$ 167,520		\$ 16,048 *
Deletions:				
Total deletions for Leasehold Improvement		\$ -		\$ - **

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

Amortization Schedule*

Name of Facility Marlborough Health Care Center, Inc.			License No. 200RH		Report for Year Ended 9/30/2019			Page 24	of 37
Item	Date of Acquisition		Length of Amortization	Cost to Be Amortized	Accumulated Amort. to Beginning of Year's Operations	Basis for Computing Amortization**	Rate %	Amortization for This Year	Totals
	Month	Year							
A. Organization Expense									
1.									
2.									
3.									
A-4. Subtotal									
B. Mortgage Expense									
1.									
2.									
3.									
B-4. Subtotal									
C. Leasehold Improvements and Other									
1. Acquired prior to this report period	Var	Var	Various	2,510,050	1,798,797	S/L	Various	70,901	
2. Disposals (attach schedule)	Var	Var	Various						
3. Acquired during this report period (attach schedule)	Var	Var	Various	167,520		S/L	Various	16,048	
C-4. Subtotal									86,949
D. Total Amortization									86,949

* Straight-line method must be used.

** Specify which of the following bases were used:

- Minimum of 5 years or 60 months.
- Life of mortgage; OR
- Remaining Life of Lease; OR
- Actual Life if owned by Related Party.

Marlborough Health & Rehab
FIXED ASSET / DEPRECIATION SCHEDULE

Asset Type	Description	Date In Service	Method	Life	Historical Cost	2018 A/D	2019 Deprec.	2019 A/D	NBV
LEASEHOLD IMPROVEMENTS									
LI	Prior Period Acquisitions (Per 9/30/18 CR)	Various	S/L	Various	2,510,050	1,798,797	70,901	1,869,698	640,352
2019 Additions									
LI	Carpet	10/31/2018	S/L	10	3,097	-	310	310	2,787
LI	Fire Doors	10/31/2018	S/L	8	13,662	-	1708	1,708	11,954
LI	Well #2	11/30/2018	S/L	25	19,998	-	800	800	19,198
LI	HVAC	12/31/2018	S/L	10	3,039	-	304	304	2,735
LI	HVAC	12/31/2018	S/L	10	3,860	-	386	386	3,474
LI	HVAC	12/31/2018	S/L	10	5,807	-	581	581	5,226
LI	Painting	2/28/2019	S/L	10	2,215	-	222	222	1,993
LI	Hot water boiler	3/31/2019	S/L	10	9,875	-	987	987	8,888
LI	Painting	3/31/2019	S/L	5	5,724	-	1145	1,145	4,579
LI	Painting	4/30/2019	S/L	10	633	-	63	63	570
LI	Painting	5/31/2019	S/L	10	5,380	-	538	538	4,842
LI	Telephone System	6/30/2019	S/L	10	5,750	-	575	575	5,175
LI	Painting	6/30/2019	S/L	10	6,013	-	601	601	5,412
LI	Carpet flooring/Wall Bumper	7/31/2019	S/L	10	58,663	-	5866	5,866	52,797
LI	Painting	8/31/2019	S/L	10	4,249	-	425	425	3,824
LI	Pump	8/31/2019	S/L	15	12,570	-	838	838	11,732
LI	Storage Tank	8/31/2019	S/L	10	3,506	-	351	351	3,155
LI	Flood, light fixtures	8/31/2019	S/L	10	3,478	-	348	348	3,130
TOTAL LEASEHOLD IMPROVEMENTS					2,677,570	1,798,797	86,949	1,885,746	791,824
Building Improvements									
Bldng Imp	Prior Period Acquisitions (Per 9/30/18 CR)	Various	S/L	Various	2,006,285	348,196	80,251	428,447	1,577,838
TOTAL Building Improvements					2,006,285	348,196	80,251	428,447	1,577,838
Land Improvements									
NME	Prior Period Acquisitions (Per 9/30/18 CR)	Various	S/L	Various	9,235	154	154	308	8,927
TOTAL Land Improvements					9,235	154	154	308	8,927
MOVABLE EQUIPMENT									
MME	Prior Period Acquisitions (Per 9/30/18 CR)	Various	S/L	Various	1,122,867	938,508	39,729	978,237	144,630
2019 Additions									
MME	Electric bed 80"	12/31/2018	S/L	12	2,653	-	221	221	2,432
MME	Electric bed	1/31/2019	S/L	15	3,875	-	258	258	3,617
MME	Bedside cabinet	1/31/2019	S/L	12	5,339	-	445	445	4,894
MME	AED Garment with Elect	2/28/2019	S/L	5	2,935	-	587	587	2,348
MME	Drawer chest	2/28/2019	S/L	10	1,990	-	199	199	1,791
MME	Lift Gate	7/31/2019	S/L	10	2,549	-	255	255	2,294
MME	Digital scale	7/31/2019	S/L	5	1,501	-	300	300	1,201
MME	Head/Foot board	7/31/2019	S/L	10	725	-	72	72	653
MME	Electric bed 80"	7/31/2019	S/L	12	3,638	-	303	303	3,335
MME	Electric bed 80"	8/31/2019	S/L	12	1,404	-	117	117	1,287
MME	Laptop	9/30/2019	S/L	5	1,229	-	246	246	983
TOTAL MOVABLE EQUIPMENT					1,150,703	938,508	42,732	981,240	169,463
TOTAL ASSETS PER CR SCHEDULE					5,843,794	3,085,655	210,086	3,295,741	2,548,053
TOTAL ASSETS PER TRIAL BALANCE					3,837,509	-	129,835	2,867,294	970,215
LESS REALTY ASSETS					(2,006,285)	(348,196)	(428,447)	(1,577,838)	
ROUNDING									
VARIANCE					(0)	2,737,459	80,251	-	(0)

C. Expenditures Other Than Salaries (cont'd) - Property Questionnaire

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 25	of 37
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11. Property Questionnaire

Part A

Is the property either owned by the Facility
or leased from a Related Party?*

Yes

No

If "Yes," complete Part B.
If "No," complete Part C.

*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or
business association to any person or organization from whom buildings are leased, then it is considered a
related party transaction.

Description	Total			
1. Date Land Purchased				
2. Date Structure Completed				
3. If NOT Original Owner, Date of Purchase				
4. Date of Initial Licensure				
5. Total Licensed Bed Capacity	120			
6. Square Footage	42,799			
7. Acquisition Cost				
a. Land	186,373			
b. Building	1,480,167			

Part B - Owner and Related Parties

	1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing				
a. Type of Financing (e.g., fixed, variable)	Fixed			
b. Date Mortgage Obtained	05/10/18			
c. Interest Rate for the Cost Year	6.21%			
d. Term of Mortgage (number of years)	25			
e. Amount of Principal Borrowed	2,600,000			
f. Principal balance outstanding as of 9/30/19	2,540,807			

Complete if Mortgage was Refinanced

During Current Cost Year

g. Type of Financing (e.g., fixed, variable)				
h. Date of Refinancing				
i. New Interest Rate				
j. Term of Mortgage (number of years)				
k. Amount of Principal Borrowed				
l. Principal Outstanding on Note Paid-Off				

Part C - Arms-Length Leases for Real Property Improvements Only

Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease

Note: Be sure required copies of leases are attached to Page 25 and real estate taxes paid by lessor are included on Page 22, Item 10b.

C. Expenditures Other Than Salaries (cont'd) - Interest

Name of Facility	License No.	Report for Year Ended 9/30/2019			Page of 26 37
Item		Total	CCNH	RHNS	(Specify)
12. Interest					
A. Building, Land Improvement & Non-Movable Equipment					
1. First Mortgage	\$				
Name of Lender	Rate				
Address of Lender					
2. Second Mortgage	\$				
Name of Lender	Rate				
Address of Lender					
3. Third Mortgage	\$				
Name of Lender	Rate				
Address of Lender					
4. Fourth Mortgage	\$				
Name of Lender	Rate				
Address of Lender					
B. CHEFA Loan Information					
1. Original Loan Amount	\$				
2. Loan Origination Date					
3. Interest Rate %					
4. Term					
5. CHEFA Interest Expense					
12 B7. Total Building Interest Expense (A1 - A4 + B5)	\$				

(Carry Subtotals forward to next page)

C. Expenditures Other Than Salaries (cont'd) - Interest and Insurance

Name of Facility	License No.	Report for Year Ended 9/30/2019			Page 27	of 37
Item			Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:						
12. C. Movable Equipment						
1. Automotive Equipment		\$				
A. Item	Rate	Amount				
Lender						
Address of Lender						
2. Other (Specify)		\$				
A. Item	Rate	Amount				
Lender						
Address of Lender						
B. Item	Rate	Amount				
Lender						
Address of Lender						
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)		\$				
12. D. Other Interest Expense (Specify)		\$	7,850	7,850		
Computer Loan / Late Fees / Insurance Premium Interest						
13. Total All Interest Expense (12B7 + 12C3 + 12D)		\$	7,850	7,850		
14. Insurance						
a. Insurance on Property (buildings only)		\$	29,080	29,080		
b. Insurance on Automobiles		\$	5,221	5,221		
c. Insurance other than Property (as specified above)						
1. Umbrella (Blanket Coverage)		\$	8,706	8,706		
2. Fire and Extended Coverage		\$				
3. Other (Specify)		\$	47,072	47,072		
Liability / Crime Insurance						
14d. Total Insurance Expenditures (14a + b + c)		\$	90,079	90,079		
15. Total All Expenditures (A-13 thru C-14)		\$	10,851,608	10,851,608		

D. Adjustments to Statement of Expenditures

Name of Facility Marlborough Health Care Center, Inc.				License No. 200RH	Report for Year Ended 9/30/2019		Page 28 of 37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Page 10 - Salaries and Wages							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$ 14,304	14,304		
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 273,632	273,632		
7.			Other - See attached Schedule	\$ 23,926	23,926		
Pages 15 & 16 - Administrative and General							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$ 304,351	304,351		
10.			Accounting	\$			
10a.	15	1e	Legal	\$ 19,586	19,586		
11.			Telephone	\$			
12.			Cellular Telephone	\$			
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.	16	L3	Gifts, flowers and coffee shops	\$ 4,607	4,607		
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.	16	L4	Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$ 6,825	6,825		
17.	16	L6	Automobile Expense (e.g. personal use)	\$ 1,289	1,289		
18.	16	m2/3	Unallowable Advertising *	\$ 20,600	20,600		
19.			Income Tax / Corporate Business Tax	\$			
20.	16	m10	Fund Raising / Contributions	\$ 500	500		
21.	16	m12	Unallowable Management Fees	\$ 225,497	225,497		
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 59,243	59,243		
Page 18 - Dietary Expenditures							
24.			Meals to employees, guests and others who are not residents	\$			
Page 19 - Laundry Expenditures							
25.			Laundry services to employees, guests and others who are not residents	\$			
Page 20 - Housekeeping Expenditures							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 954,360	954,360		

* All except "Help Wanted".

(Carry Subtotal forward to next page)

** Physicians who provide services to Title 19 residents are required to bill the Department of Social Services directly for each individual resident.

Schedule of Other Salaries Adjustment

Schedule of Fees Adjustments

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m13	Penalties	564		
16	m13	Miscellaneous Expenses	10,333		
16	m13	Prior Period Expenses	44,598		
15	Var	Benefits Associated with Marketing Salary	3,748		
Total Other A&G Adjustments			\$ 59,243	\$ -	\$ -

Marlborough Health & Rehab
Calculation of Allowable Management Fee
September 30, 2019

Pg. 28c

<u>Description</u>	<u>Amount</u>
Management fees Charged	507,158 <small>Page 16, Line m12</small>
Accounting Charges	26,610 <small>Page 15, Line 1d</small>
Total Management Fees Per Agreement	533,768
 Patient Days	36,931 <small>Page 8 of C/R</small>
Imputed Days - 90% Occupancy (365/365 Days)	39,420 <small>Calculation</small>
Amount Per Patient Day (Greater of 90% or Actual Days)	\$ 13.54
 PPD Allowance Per Client 2018	7.81 <small>J.01a</small>
2019 CPI Increase %	1.01%
PPD Allowance 9/30/2019	7.82
 Amount over (Under)	\$ 5.7204
Total Days	39,420 <small>Page 8 of C/R</small>
Disallowable Management Fee	\$ 225,497

State of Connecticut

Annual Report of Long-Term Care Facility

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D. Adjustments to Statement of Expenditures (cont'd)

Name of Facility				License No.	Report for Year Ended		Page of
Marlborough Health Care Center, Inc.				200RH	9/30/2019		29 37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
			Subtotals Brought Forward	\$ 954,360	954,360		
Page 20 - Resident Care Supplies***							
27.	20	5a2	Prescription Drugs	\$ 296,972	296,972		
28.	20	5d	Ambulance/Limousine	\$ 31,472	31,472		
29.	20	5f	X-rays, etc	\$ 18,442	18,442		
30.	20	5h	Laboratory	\$ 16,404	16,404		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 13,249	13,249		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 90,897	90,897		
Page 22 - Maintenance and Property							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$ 3,003	3,003		
36.			Depreciation on Unallowable Motor Vehicles	\$			
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 15,063	15,063		
Page 27 - Insurance							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
Other - Miscellaneous							
42.			Other - Indirect	\$			
43.			Interest Income on Account Rec.	\$			
44.			Other - Miscellaneous Administrative	\$			
45.			Management Fees Direct	\$			
46.			Management Fees Indirect	\$			
47.			Other - Direct	\$ 20,086	20,086		
Not For Profit Providers Only							
48.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
49.	Total Amount of Decrease (Items 1 - 48)			\$ 1,459,948	1,459,948		

*** Items billed directly to Department of Social Services and/or Health Services in CT, or other states, Medicare, and private-pay residents. Identify separately by category as indicated on Page 20.

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	51	Non Allowable Nursing Equipment Rentals	\$ 40,797		
20	51	IV Thy Supplies - Rehab Tpy and Anclry	4,091		
20	51	Equip Rental - Rehab Tpy and Anclry	12,604		
20	51	Equip Rental - Respiratory	17,733		
20	5c	Med B Nursing Supplies	4,902		
20	5i	Cable Television Expense	10,770		
Total Other Ancillary Costs			\$ 90,897	\$ -	\$ -

Schedule of Excess Movable Equipment Depreciation

Schedule of Other Property Adjustments

Schedule of Other - Indirect Adjustments

Total Other Adjustments		\$	-	\$	-	\$	-

age 29

Schedule of Other - Miscellaneous Administrative Adjustments

Page Ref **Line Ref** **Description** **CCNH** **RHNS** **(Specify)**

Schedule of Other - Direct Adjustments

Attachment Page 29

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
27	12d	Late Fee Interest Expense	\$ 1,747		
30	IV 8	Donation Revenue	230		
30	IV 8	Refunds / Rebates	14,724		
30	IV 8	Medical Record Income	397		
30	IV 8	Miscellaneous Revenue	2,988		
Total Other Adjustments			\$ 20,086	\$ -	\$ -

Schedule of Unallowable Building Interest

National Health Care Associates, Inc. (CT)
Cable TV Disallowance
September 30, 2019

Pg. 29b

Total Cable TV Expense	14,370	TB Linked
Total Monthly Fee Allowed	\$ 300	
Total Months	12	
Total Allowable Expense	\$ 3,600	
Partial Year Cost Report (365 out of 365 Days)	\$ 365	
Days in Cost Report Year	365	
Partial Year Allowable %	100.00%	
Revised Allowable Cost	\$ 3,600	
Disallowed Expense	<u>\$ 10,770</u>	{a}

Tickmark

{a}

Ties to page 29a

F. Statement of Revenue

Name of Facility	License No.	Report for Year Ended 9/30/2019			Page of 30 37
Item		Total	CCNH	RHNS	(Specify)
I. Resident Room, Board & Routine Care Revenue					
1. a. Medicaid Residents (<i>CT only</i>)	\$ 11,608,123	11,608,123			
b. Medicaid Room and Board Contractual Allowance **	\$ (5,669,647)	(5,669,647)			
2. a. Medicaid (<i>All other states</i>)	\$				
b. Other States Room and Board Contractual Allowance **	\$				
3. a. Medicare Residents (<i>all inclusive</i>)	\$ 1,296,600	1,296,600			
b. Medicare Room and Board Contractual Allowance **	\$ 253,667	253,667			
4. a. Private-Pay Residents and Other	\$ 3,638,160	3,638,160			
b. Private-Pay Room and Board Contractual Allowance **	\$ (769,399)	(769,399)			
II. Other Resident Revenue					
1. a. Prescription Drugs - Medicare	\$ 138,089	138,089			
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (132,745)	(132,745)			
c. Prescription Drugs - Non-Medicare	\$ 132,069	132,069			
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$ (136,586)	(136,586)			
2. a. Medical Supplies - Medicare	\$ 11,824	11,824			
b. Medical Supplies - Medicare Contractual Allowance **	\$ (11,824)	(11,824)			
c. Medical Supplies - Non-Medicare	\$ 14,701	14,701			
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$ (14,701)	(14,701)			
3. a. Physical Therapy - Medicare	\$ 351,853	351,853			
b. Physical Therapy - Medicare Contractual Allowance **	\$ (298,165)	(298,165)			
c. Physical Therapy - Non-Medicare	\$ 205,473	205,473			
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (191,494)	(191,494)			
4. a. Speech Therapy - Medicare	\$ 74,791	74,791			
b. Speech Therapy - Medicare Contractual Allowance **	\$ (41,410)	(41,410)			
c. Speech Therapy - Non-Medicare	\$ 56,477	56,477			
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (50,068)	(50,068)			
5. a. Occupational Therapy - Medicare	\$ 351,582	351,582			
b. Occupational Therapy - Medicare Contractual Allowance **	\$ (288,706)	(288,706)			
c. Occupational Therapy - Non-Medicare	\$ 207,026	207,026			
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (197,833)	(197,833)			
6. a. Other (<i>Specify</i>) - Medicare	\$ 36,150	36,150			
b. Other (<i>Specify</i>) - Non-Medicare	\$ 177,425	177,425			
III. Total Resident Revenue (Section I. thru Section II.)	\$ 10,751,432	10,751,432			
IV. Other Revenue*					
1. Meals sold to guests, employees & others	\$				
2. Rental of rooms to non-residents	\$				
3. Telephone	\$				
4. Rental of Television and Cable Services	\$				
5. Interest Income (<i>Specify</i>)	\$ 318	318			
6. Private Duty Nurses' Fees	\$				
7. Barber, Coffee, Beauty and Gift shops	\$				
8. Other (<i>Specify</i>)	\$ 41,858	41,858			
V. Total Other Revenue (1 thru 8)	\$ 42,176	42,176			
VI. Total All Revenue (III +V)	\$ 10,793,608	10,793,608			

* Facility should off-set the appropriate expense on Page 28 or Page 29 of the Cost Report.

** Facility should report all contractual allowances and/or payer discounts.

Schedule of Other Resident Revenue - Medicare

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
30 II 6a	Medicare Pt A Ambulance-Marlb--	\$ 4,614		
30 II 6a	Medicare Pt A IV Therapy-Marlb--	10,502		
30 II 6a	Medicare Pt A Lab-Marlb--	11,801		
30 II 6a	Medicare Pt A X-Ray-Marlb--	11,098		
30 II 6a	Medicare Pt B Prior Period-Marlb--	(2,519)		
30 II 6a	Mgd Medicare Ambulance	654		
Total Other Resident Revenue - Medicare		\$ 36,150	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
30 II 6b	Medicaid Rate Adjustment-Marlb	\$ 149,622		
30 II 6b	Medicaid Lab-Marlb--	1,683		
30 II 6b	Medicaid X-Ray-Marlb--	774		
30 II 6b	Comm Ins Lab-Marlb--	767		
30 II 6b	Comm Ins X-Ray-Marlb--	602		
30 II 6b	Mgd Medicare IV Therapy	7,414		
30 II 6b	Mgd Medicare Lab	7,644		
30 II 6b	Mgd Medicare X-Ray	8,466		
30 II 6b	Mgd Medicare Flu/Pneumonia	1,792		
30 II 6b	Mgd Medicare Prior Period	(1,339)		
Total Other Resident Revenue		\$ 177,425	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
30 IV 5	Interest Expense on Money Market Account	150,160	\$ 318		
Total Interest Income		\$ 318	\$ -	\$ -	

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
30 IV 8	Prior Period Revenue	\$ 449		
30 IV 8	Donation Revenue (Disallowed on Pg 29a)	230		
30 IV 8	Refunds / Rebates (Disallowed on Pg 29a)	14,724		
30 IV 8	Class Action Settlement Rev (No CY Expense)	634		
30 IV 8	Medical Record Income (Disallowed on Pg 29a)	397		
30 IV 8	UHC Income	18,152		
30 IV 8	Miscellaneous Revenue (Disallowed on Pg 29a)	2,988		
30 IV 8	Write Off of Outstanding Checks from Prior Periods	\$ 4,284		
Total Other Revenue		\$ 41,858	\$ -	\$ -

G. Balance Sheet

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 31	of 37
Account		Amount		
Assets				
A. Current Assets				
1. Cash (<i>on hand and in banks</i>)			\$ 456,052	
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$ 1,360,096	
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$ 106,692	
4. Inventories			\$ 28,404	
5. Prepaid Expenses			\$ 118,510	
a. _____				
b. _____				
c. _____				
d. See Schedule		118,510		
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (<i>itemize</i>)			\$ 303,034	
CT PET Deferred Tax		32,808		
Due from Medicaid		270,226		
See Schedule				
A-9. Total Current Assets (Lines A1 thru 8)			\$ 2,372,788	
B. Fixed Assets				
1. Land			\$	
2. Land Improvements	*Historical Cost	9,235	\$ 8,927	
	Accum. Depreciation	308	Net	
3. Buildings	*Historical Cost		\$	
	Accum. Depreciation		Net	
4. Leasehold Improvements	*Historical Cost	2,677,570	\$ 791,824	
	Accum. Depreciation	1,885,746	Net	
5. Non-Movable Equipment	*Historical Cost		\$	
	Accum. Depreciation		Net	
6. Movable Equipment	*Historical Cost	1,150,703	\$ 169,463	
	Accum. Depreciation	981,240	Net	
7. Motor Vehicles	*Historical Cost		\$	
	Accum. Depreciation		Net	
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (<i>itemize</i>)			\$ 44,923	
CIP		44,923		
See Schedule				
B-10. Total Fixed Assets (Lines B1 thru 9)			\$ 1,015,138	

* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

(Carry Total forward to next page)

State of Connecticut

Annual Report of Long-Term Care Facility

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G. Balance Sheet (cont'd)

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 32	of 37
Account			Amount	
Total Brought Forward:			\$	3,387,926
C. Leasehold or like property recorded for Equity Purposes.				
1. Land			\$	
2. Land Improvements	*Historical Cost			
	Accum. Depreciation	Net	\$	
3. Buildings	*Historical Cost	2,006,285		
	Accum. Depreciation	428,447 Net	\$	1,577,838
4. Non-Movable Equipment	*Historical Cost			
	Accum. Depreciation	Net	\$	
5. Movable Equipment	*Historical Cost			
	Accum. Depreciation	Net	\$	
6. Motor Vehicles	*Historical Cost			
	Accum. Depreciation	Net	\$	
7. Minor Equipment-Not Depreciable			\$	
C-8 Total Leasehold or Like Properties (C1 thru 7)			\$	1,577,838
D. Investment and Other Assets				
1. Deferred Deposits			\$	
2. Escrow Deposits			\$	
3. Organization Expense	*Historical Cost			
	Accum. Depreciation	Net	\$	
4. Goodwill (Purchased Only)			\$	
5. Investments Related to Resident Care (itemize)			\$	
6. Loans to Owners or Related Parties (itemize)			\$	
Name and Address	Amount	Loan Date		
7. Other Assets (itemize)			\$	11,500
Security Deposits	11,500			
See Schedule				
D-8. Total Investments and Other Assets (Lines D1 thru 7)			\$	11,500
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)			\$	4,977,264

* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

G. Balance Sheet (cont'd)

Name of Facility	License No.	Report for Year Ended	Page	of				
Marlborough Health Care Center, Inc.	200RH	9/30/2019	33	37				
Liabilities	Account	Amount	33	37				
A. Current Liabilities								
1. Trade Accounts Payable								
2. Notes Payable (<i>itemize</i>)								
See Schedule								
3. Loans Payable for Equipment (<i>Current portion</i>) (<i>itemize</i>)								
Name of Lender	Purpose	Amount	Date Due					
	Equipment Lease ST	14,011						
4. Accrued Payroll (<i>Exclusive of Owners and/or Stockholders only</i>)								
5. Accrued Payroll (<i>Owners and/or Stockholders only</i>)								
6. Accrued Payroll Taxes Payable								
7. Medicare Final Settlement Payable								
8. Medicare Current Financing Payable								
9. Mortgage Payable (<i>Current Portion</i>)								
10. Interest Payable (<i>Exclusive of Owner and/or Related Parties</i>)								
11. Accrued Income Taxes*								
12. Other Current Liabilities (<i>itemize</i>)								
Unclaimed ADP checks	1,385	Accrued Worker's Comp	50,519					
Patients Fund	62,407	Accrued Purchase	1,174					
Accrued Expenses	223,276							
Accrued Pension	12,431	See Schedule						
A-13. Total Current Liabilities (Lines A1 thru 12)								
* Business Income Tax (not that withheld from employees). Attach copy of owner's Federal Income Tax Return.								
(Carry Total forward to next page)								

* Business Income Tax (not that withheld from employees). Attach copy of owner's Federal Income Tax Return.

(Carry Total forward to next page)

State of Connecticut

Annual Report of Long-Term Care Facility

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G. Balance Sheet (cont'd)

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 34	of 37
Account			Amount	
Total Brought Forward:			1,266,679	
Liabilities (cont'd)				
B. Long-Term Liabilities				
1. Loans Payable-Equipment (<i>itemize</i>)			\$	72,262
Name of Lender	Purpose	Amount	Date Due	
	Equipment Lease LT	72,262		
2. Mortgages Payable			\$	
3. Loans from Owners or Related Parties (<i>itemize</i>)			\$	2,455,429
Name and Address of Lender	Amount	Loan Date		
Due to Realty / Related / Other	2,455,429			
4. Other Long-Term Liabilities (<i>itemize</i>)			\$	
See Schedule				
B-5. Total Long-Term Liabilities (Lines B1 thru 4)			\$	2,527,691
C. Total All Liabilities (Lines A-13 + B-5)			\$	3,794,370

Schedule of Prepaid Expenses Page 31 Line A5

Page Ref	Line Ref	Description	
31	A5	Prepaid Workers Comp	\$ 16,366
31	A5	Prepaid Gen Insurance	7,240
31	A5	Prepaid Expense Other	20,924
31	A5	Prepaid Real Estate Taxes	25,999
31	A5	Prepaid Personal Property Taxes	9,703
31	A5	Prepaid Mgmt Assets	38,278
Total Prepaid Expenses			\$ 118,510

Schedule of Other Current Assets (Itemized) Page 31 Line A8

Page Ref	Line Ref	Description	
Total Other Current Assets (Itemize)			\$ -

Schedule of Other Fixed Assets (Itemize) Page 31 Line B9

Page Ref	Line Ref	Description	
Total Other Other Fixed Assets (Itemize)			\$ -

Schedule of Other Assets Page 32 Line D7

Page Ref	Line Ref	Description	
Total Other Assets			\$ -

Schedule of Notes Payable (Itemize) Page 33 Line A2

Page Ref	Line Ref	Description	
Total Notes Payable			\$ -

Schedule of Other Current Liabilities (Itemize) Page 33 Line A12

Page Ref	Line Ref	Description	
Total Other Current Liabilities (Itemize)			\$ -

Schedule of Other Long-Term Liabilities (Itemize) Page 34 Line B4

Page Ref	Line Ref	Description	
Total Other Current Liabilities (Itemize)			\$ -

State of Connecticut

Annual Report of Long-Term Care Facility

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G. Balance Sheet (cont'd)
Reserves and Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Marlborough Health Care Center, Inc.	200RH	9/30/2019	35	37
Account				Amount
A. Reserves				
1. Reserve for value of leased land		\$		
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized		\$		
3. Reserve for depreciation value of leased personal property (<i>Equity</i>)		\$	1,577,838	
4. Reserve for leasehold real properties on which fair rental value is based		\$		
5. Reserve for funds set aside as donor restricted		\$		
6. Total Reserves		\$	1,577,838	
B. Net Worth				
1. Owner's Capital		\$		
2. Capital Stock		\$		
3. Paid-in Surplus		\$		
4. Treasury Stock		\$		
5. Cumulated Earnings		\$	(417,195)	
6. Gain or Loss for Period	10/1/2018	thru	9/30/2019	\$ 22,251
7. Total Net Worth				\$ (394,944)
C. Total Reserves and Net Worth				\$ 1,182,894
D. Total Liabilities, Reserves, and Net Worth				\$ 4,977,264

State of Connecticut

Annual Report of Long-Term Care Facility

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H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Marlborough Health Care Center, Inc.	200RH	9/30/2019	36	37
Account				Amount
A. Balance at End of Prior Period as shown on Report of 09/30/2018				\$ (418,373)
B. Total Revenue (<i>From Statement of Revenue Page 30</i>)				\$ 10,793,608
C. Total Expenditures (<i>From Statement of Expenditures Page 27</i>)				\$ 10,771,357
D. Net Income or Deficit				\$ 22,251
E. Balance				\$ (396,122)
F. Additions				
1. Additional Capital Contributed (<i>itemize</i>)				
Total Expenses P27		\$10,851,608		
(Less) Realty Co Bldg Depre		(80,251)		
Revised Total		\$10,771,357		
2. Other (<i>itemize</i>)				
F-3. Total Additions				\$
G. Deductions				
1. Drawings of Owners/Operators/Partners (<i>Specify</i>)				\$ 1,178
Name and Address (No., City, State, Zip)		Title	Amount	
Partner Drawings			1,178	
2. Other Withdrawings (<i>Specify</i>)				\$
Purpose		Amount		
3. Total Deductions				\$ (1,178)
H. Balance at End of Period				\$ (394,944)

I. Preparer's/Reviewer's Certification

Name of Facility Marlborough Health Care Center, Inc.	License No. 200RH	Report for Year Ended 9/30/2019	Page 37	of 37
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Check appropriate category

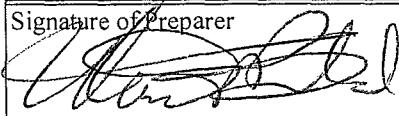
Chronic and Convalescent Nursing Home only (CCNH)

Rest Home with Nursing Supervision only (RHNS)

(Specify)

Preparer/Reviewer Certification

I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.

Signature of Preparer 	Title PrINCIPAL	Date Signed 2/13/20
--	--------------------	------------------------

Printed Name of Preparer

Matthew S. Bavlack

Address Address 555 Long Wharf Drive, New Haven, CT 06511	Phone Number 203-781-9600
--	------------------------------

Contacted Person Regarding Additional Information Needed Regarding This Report

Contacted Person Regarding Additional Information Needed Regarding This Report John Phelps	Phone Number 516-705-4813
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Contact Email Address

jphelps@nathealthcare.com

ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for Marlborough Health Care Center, Inc. for the year ended September 30, 2019, included in the accompanying prescribed form. We have prepared the Cost Report in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services. The Cost Report was prepared in conformity with regulations prescribed by The State of CT Department of Social Services (DSS) from data provided to us by the management of Marlborough Health Care Center, Inc. We did not audit or review the Cost Report included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the Cost Report included in the accompanying prescribed form.

Management is responsible for maintaining its records in accordance with accounting principles generally accepted in the United States of America and in accordance with reimbursement regulations set forth by DSS. Management is also responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial data and supplemental information included in the Cost Report.

This report is intended solely for the information and use of the management Marlborough Health Care Center, Inc. and DSS and is not intended to be, and should not be, used by anyone other than these specified parties.

MARCUM LLP

New Haven, CT
February 8, 2020



Annual Report of Long-Term Care Facility Cost Year 2019 Checklist

This checklist is not required to be submitted with the Annual Report

Facility Name Marlborough Health Care Center, Inc.

Complete the following check list. **Provide an explanation for any “No” answers.** Attach additional sheets to explain further, if necessary.

Yes **No**

<input checked="" type="checkbox"/>	<input type="checkbox"/>
-------------------------------------	--------------------------

1. Have all related parties been properly disclosed on Pages 4, 11, 12, 14, 17 and 21?

Explanation: _____

Yes **No**

<input checked="" type="checkbox"/>	<input type="checkbox"/>
-------------------------------------	--------------------------

2. Are the methods of allocating costs consistent with prior year? If not, explain the reporting change.

Explanation: _____

Yes **No**

<input checked="" type="checkbox"/>	<input type="checkbox"/>
-------------------------------------	--------------------------

3. Are costs allocated based on the methods prescribed on Page 5 of the Annual Report? If not, provide the basis of your allocation.

Explanation: _____

Yes **No**

<input checked="" type="checkbox"/>	<input type="checkbox"/>
-------------------------------------	--------------------------

4. Do equipment leases listed on Page 6 agree with equipment leases reported on Page 22, Line 6e? If not, state where these costs are included in the Annual Report.

Explanation: _____

Yes No

5. Do accounting and legal fees reported on Page 7 agree with Page 15, Lines 1d and 1e, respectively?

Explanation: _____

Yes No

6. During cost year, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

Explanation: _____

Yes No

7. If there has been a change in Administrators, have the dates of employment and applicable hours for each Administrator been reported on Page 12?

Explanation: _____

Yes No

8. Have hours been reported for all expenses claimed on Page 13? Hours must be actual rather than estimated.

Explanation: _____

Yes No

9. Has resident day user fee expense been properly reported on Page 15, Line 1k3?

Explanation: _____

Yes No

10. Have purchased services greater than \$10,000 reported on Pages 16, 18, 19, 20 and 22 been detailed on Page 21?

Explanation: _____

Yes No

11. Have the dietary and laundry questionnaires on Pages 18 and 19 been completed?

Explanation: _____

Yes No

12. Has the personal use portion of automobile expense been disallowed, including depreciation, lease payments, insurance and taxes?

Explanation: _____

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from the prior cost year?

Explanation: _____

Yes No

14. Does the net book value of all assets reported on Pages 23 and 24 agree with the net book value reported on Pages 31 and 32?

Explanation: _____

Yes No

15. Has asset useful life been reported in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation: _____

Yes No

16. Have all assets been categorized between movable and fixed in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation: _____

Yes No

17. Have all contractual allowances been properly reported on Page 30?

Explanation: _____

Yes No

18. Were all discrepancies on the Error Page addressed?

Explanation: _____

Yes No

19. Have Pages 1 and 37 been signed? *Cost reports without a signed Page 1 and 37 will not be accepted.*

Explanation: _____

Yes No

20. Have detailed schedules been provided for all “other” line items, fixed asset and movable equipment additions? *If detail is not provided, appropriate disallowances will be made.*

Explanation: _____

Yes No

21. Have all costs associated with non-nursing home businesses (i.e., Adult Daycare, Meals on Wheels, Outpatient Therapy Services, etc.) been disallowed on Pages 28 and/or 29 of the Annual Report?

Explanation: _____

Yes No

22. Has all required documentation been submitted to the Annual Report review and audit contractor?

Explanation: _____
