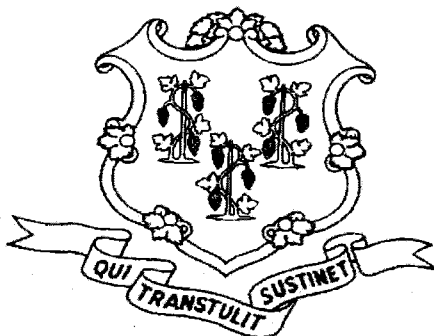


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2016

Name of Facility (as licensed) Waterbury Gardens Nursing & Rehabilitation Center, LLC	
Address (No. & Street, City, State, Zip Code) 128 Cedar Avenue, Waterbury, CT 06705	
Type of Facility	
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)
<input checked="" type="checkbox"/> SLTC	
Report for Year Beginning 3/16/2016	Report for Year Ending 9/30/2016

License Numbers:	CCNH 2225-C	RHNS	SLTC 2225-C	Medicare Provider 07-5210
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Medicaid Provider Numbers:	CCNH 20156	RHNS	ICF-IID 520157
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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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General Information

Name of Facility (as licensed)	License No.	Report for Year Ended	Page	of
Waterbury Gardens Nursing & Rehabilitation Center,	2225-C	9/30/2016	1	37

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 Waterbury Gardens Nursing & Rehabilitation Center, LLC [facility name], for the cost report period beginning March 16, 2016 and ending September 30, 2016, 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. {a}

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) Shalom Lerner			Printed Name (Owner)		
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 Waterbury Gardens Nursing & Rehabilitation Center, LLC	Period Covered:	From 3/16/2016	To 9/30/2016
Address of Facility 128 Cedar Avenue, Waterbury, CT 06705			
Report Prepared By Marcum LLP	Phone Number 203-781-9600	Date 1/24/2017	
Item	Total	CCNH	RHNS SLTC
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.

General Information and Questionnaire
Type of Facility - Organization Structure

Phone No. of Facility 203-757-9271		Report for Year Ended 9/30/2016		Page 2	of 37
Name of Facility (as shown on license) Waterbury Gardens Nursing & Rehabilitation Center, LLC			Address (No. & Street, City, State, Zip) 128 Cedar Avenue, Waterbury, CT 06705		
License Numbers:	CCNH 2225-C	RHNS	SLTC 2225-C	Medicare Provider No. 07-5210	
Type of Facility (Check appropriate box(es))					
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)		<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)		<input checked="" type="checkbox"/> SLTC	
Type of Ownership (Check appropriate box)					
<input type="radio"/> Proprietorship <input checked="" type="radio"/> LLC <input type="radio"/> Partnership <input type="radio"/> Profit Corp. <input type="radio"/> Non-Profit Corp. <input type="radio"/> Government <input type="radio"/> Trust					
If this facility opened or closed during report year provide:			Date Opened	Date Closed	
Has there been any change in ownership or operation during this report year? <input checked="" type="radio"/> Yes <input type="radio"/> No If "Yes," explain fully.					
CHOW as of March 16, 2016. 					
Administrator					
Name of Administrator Shalom Lerner			Nursing Home Administrator's License No.:	2027	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.					
Name			License No.:		

General Information and Questionnaire
Partners/Members

Name of Facility Waterbury Gardens Nursing & Rehabilitation Center,		License No. 2225-C	Report for Year Ended 9/30/2016	Page 3	of 37
Legal Name of Partnership/LLC Waterbury Gardens Nursing & Rehabilitation Center, LLC		Business Address 128 Cedar Avenue, Waterbury, CT 06705		State(s) and/or Town(s) in Which Registered CT	
Name of Partners/Members	Business Address	Title		% Owned	
David Gamzeh	128 Cedar Avenue, Waterbury, CT 06705	Member		18.75	
Akiva Glatzer	128 Cedar Avenue, Waterbury, CT 06705	Member		18.75	
Mordy Lahasky	128 Cedar Avenue, Waterbury, CT 06705	Member		18.75	
Shalom Lerner	128 Cedar Avenue, Waterbury, CT 06705	Member		5	
Esther Farkovits	128 Cedar Avenue, Waterbury, CT 06705	Member		9.375	
Joshua Farkovits	128 Cedar Avenue, Waterbury, CT 06705	Member		9.375	
Waterbury 1111 Holdings	128 Cedar Avenue, Waterbury, CT 06705			20	

General Information and Questionnaire
Individual Proprietorship

Name of Facility	License No.	Report for Year Ended	Page	of
Waterbury Gardens Nursing & Rehabilitation Cent	2225-C	9/30/2016	3B	37

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 Waterbury Gardens Nursing & Rehabilitation Center, L	License No. 2225-C	Report for Year Ended 9/30/2016	Page 4	of 37
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Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? Yes 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? Yes 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	%**				
Waterbury Gardens Holdings, LLC	128 Cedar Avenue, Waterbury, CT 06705	<input type="radio"/>	<input checked="" type="radio"/>		Property Rental	Pg 22 / Line 9	80,471	382,029
Priority Care Group LLC	99 W Hawthorne Avenue, Suite 508, Valley Stream, NY 11580	<input type="radio"/>	<input checked="" type="radio"/>		Management Company	Pg 16 / Line M12	293,000	293,000
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					

* Use additional sheets if necessary.
 ** Provide the percentage amount of revenue received from non-related parties.

General Information and Questionnaire
Basis for Allocation of Costs

Name of Facility Waterbury Gardens Nursing & Rehabilitation C	License No. 2225-C	Report for Year Ended 9/30/2016	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.

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

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.

Waterbury Gardens						
ALLOCATION SECTION						
Cost Year 2016				TOTAL		
		INPUT		ALLOCATED AMOUNTS		
ACCOUNT		Total	ALLOCATION	Skilled Nursing	Vent	
NUMBER	ACCOUNT NAME	AMOUNT	BASIS	Facility	Unit	TOTAL
30 I1A.10	Medicaid R&B SNF Only	(3,853,428)	Nursing home	(3,853,428)	-	(3,853,428)
30 I1A.22	Medicaid R&B Vent Only	(2,467,073)	Vent	-	(2,467,073)	(2,467,073)
30 I3A.10	Medicare R&B - SNF Only	(1,438,266)	Nursing home	(1,438,266)	-	(1,438,266)
30 I3A.22	Medicare R&B - Vent Only	(108,455)	Vent	-	(108,455)	(108,455)
30 I4A.10	Private pay R&B - SNF Only	(610,531)	Nursing home	(610,531)	-	(610,531)
30 I4A.22	Private pay R&B - Vent Only	(75,159)	Vent	-	(75,159)	(75,159)
30 II1A.10	Prescription Drugs Medicare - Patient Days	(86,113)	Patient days	(66,819)	(19,294)	(86,113)
30 II1C.10	Prescription drugs - Patient Days	(39,641)	Patient days	(30,759)	(8,882)	(39,641)
30 II3A.10	PT Medicare PT Treatments	(666,279)	PT Treat	(555,629)	(110,650)	(666,279)
30 II3C.10	PT Other - PT Treatments	(270,670)	PT Treat	(225,719)	(44,951)	(270,670)
30 II4A.10	ST Medicare - ST Treatments	(123,200)	ST Treat	(95,269)	(27,931)	(123,200)
30 II4C.10	ST Other - ST Treatments	(46,200)	ST Treat	(35,726)	(10,474)	(46,200)
30 II5A.10	OT Medicare - OT Treatments	(634,953)	OT Treat	(522,436)	(112,517)	(634,953)
30 II5C.10	OT - OT Treatments	(279,972)	OT Treat	(230,360)	(49,612)	(279,972)
30 II6A.10	Other Medicare - Patient Days	1,296,544	Patient days	1,006,051	290,493	1,296,544
30 II6B.10	Other - Patient Days	631,852	Patient days	490,284	141,568	631,852
30 IV5.22	Interest - Patient Days	(4)	Patient days	(3)	(1)	(4)
30 IV8.10	Other - Patient Days	(400)	Patient days	(310)	(90)	(400)
	Total Revenue	(8,771,948.00)		(6,168,920)	(2,603,028)	(8,771,948)

Waterbury Gardens						
ALLOCATION SECTION						
Cost Year 2016				TOTAL		
		INPUT		ALLOCATED AMOUNTS		
ACCOUNT		Total	ALLOCATION	Skilled Nursing	Vent	
NUMBER	ACCOUNT NAME	AMOUNT	BASIS	Facility	Unit	TOTAL
10-A 2.15	Administrators	105,384	Payroll	73,739	31,645	105,384
10-A 3.15	Assistant Administrator	8,077	Payroll	5,652	2,425	8,077
10-A 4.19	Other Admin - Salary %	180,874	Payroll	126,560	54,314	180,874
10-A 4.43	Other Admin - Patient days	8,181	Patient days	6,348	1,833	8,181
10-A 5C.5	Dietary Workers - Meals	273,543	Meals	232,023	41,520	273,543
10-A 7A..2	Other Maintenance Workers - SQFT	70,616	Sqft	59,130	11,486	70,616
10-A 12A.10	Director of Nurses/Assistant Director	130,398	Payroll	91,241	39,157	130,398
10-A 12B1.10	RNs - Direct Care	950,335	Direct	736,552	213,783	950,335
10-A 12B2.10	RNs - Administrative	250,637	Payroll	175,374	75,263	250,637
10-A 12C1.10	LPNs - Direct Care	706,630	Direct	562,939	143,691	706,630
10-A 12D.10	Aides and Attendants	962,471	Direct	746,977	215,494	962,471
10-A 12H.43	Recreation Workers	83,734	Direct	59,088	24,646	83,734
10-A 12M.33	Social Workers/Case Management - Direct	47,172	Direct	20,955	26,217	47,172
10-A 12O.22	Other - Vent	361,610	Vent	-	361,610	361,610
10-A 12O.25	Other - Payroll	83,173	Payroll	58,197	24,976	83,173
13-B 2.22	Dentist	3,720	Patient days	2,887	833	3,720
13-B 5A.07	PT - Resident Care - PT	285,562	PT Treat	238,138	47,424	285,562
13-B 8A.10	Medical Director - Direct	89,696	Direct	27,888	61,808	89,696
13-B 9A.08	ST - Resident Care - ST	53,956	ST Treat	41,724	12,232	53,956
13-B 10B.10	OT - Other	248,180	OT Treat	204,201	43,979	248,180
13-B 11A1	RN's - Direct Care	23,875	Direct	18,504	5,371	23,875
13-B 11A2	RN's - Administrative	126	Payroll	88	38	126
15 1A1.15	Workmen's Compensation - Salary%	282,564	Payroll	197,714	84,850	282,564
15 1A4.15	Social Security (FICA) - Salary %	392,788	Payroll	274,839	117,949	392,788
15 1A5.15	Health Insurance - Salary %	303,279	Payroll	212,208	91,071	303,279
15 1A9.15	Other - Salary %	421	Payroll	295	126	421
15 1C.42	Bad Debts	175,450	Accum Costs	125,868	49,582	175,450
15 1D.42	Accounting and Auditing	28,959	Accum Costs	20,775	8,184	28,959
15 1E.42	Legal - Expenses	51,095	Accum Costs	36,656	14,439	51,095
15 1G.42	Office Supplies - Accum Costs	28,155	Accum Costs	20,198	7,957	28,155
15 1H1.42	Telephone and Telegraph - Accum Costs	7,822	Accum Costs	5,612	2,210	7,822
15 1K3.03	Resident Day User Fee	486,768	Patient days	377,707	109,061	486,768
16 4.42	Employee Travel - Accum Costs	14,700	Accum Costs	10,546	4,154	14,700
16 5.33	Education Expense - Capacity	5,705	Capacity	4,754	951	5,705

Waterbury Gardens						
ALLOCATION SECTION						
Cost Year 2016				TOTAL		
		INPUT	ALLOCATION	ALLOCATED AMOUNTS		
ACCOUNT		Total		Skilled Nursing	Vent	
NUMBER	ACCOUNT NAME	AMOUNT	BASIS	Facility	Unit	TOTAL
16 M3.42	Advertising Other	14,386	Accum Costs	10,321	4,065	14,386
16 M5.34	Medical Records	716	Accum Costs	514	202	716
16 M7.42	Postage	2,059	Accum Costs	1,477	582	2,059
16 M8.33	Dues and Membership Fees to Professional Associations - Capacity	4,053	Capacity	3,377	676	4,053
16 M11.42	Services Provided by Contract - Accum Costs	5,945	Accum Costs	4,265	1,680	5,945
16 M12.02	Administrative Management Services - Patient days	293,000	Patient days	227,353	65,647	293,000
16 M13.25	Other - Accum Costs	73,320	Accum Costs	52,600	20,720	73,320
18 2A1.03	Raw Food - Meals	156,056	Meals	132,369	23,687	156,056
18 2A2.03	Non-Food Supplies - Meals	12,655	Meals	10,734	1,921	12,655
18 2B.03	Purchased Services - Meals	15,295	Meals	12,973	2,322	15,295
18 2D.03	Other - Meals	110	Meals	93	17	110
19 3B.05	Purchased Services - Pounds of Laundry	50,163	Laundry	39,127	11,036	50,163
20 4A1.02	In-House Care Supplies - Sqft	8,780	Sqft	7,352	1,428	8,780
20 4B.02	Purchased Services - Sqft	189,653	Sqft	158,804	30,849	189,653
20 5A.03	Purchased From	242,609	Patient days	188,252	54,357	242,609
20 5B.03	Medicine Cabinet Drugs	6,345	Patient days	4,923	1,422	6,345
20 5C.03	Medical and Therapeutic Supplies	143,084	Patient days	111,026	32,058	143,084
20 5D.03	Ambulance/Limousine - Patient Days	2,295	Patient days	1,781	514	2,295
20 5E2.03	Oxygen - Other - Vent	25,888	Vent	-	25,888	25,888
20 5F.03	X-Rays and related radiological - Patient Days	8,995	Patient days	6,980	2,015	8,995
20 5H.03	Laboratory - Patient Days	15,863	Patient days	12,309	3,554	15,863
20 5I.03	Recreation - Patient Days	16,108	Patient days	12,499	3,609	16,108
20 5J.03	Other - Patient days	43,686	Patient days	33,898	9,788	43,686
20 5J.07	Other - PT Treatments	673	PT Treat	561	112	673
20 5J.08	Other - ST Treatments	90	ST Treat	70	20	90
20 5J.15	Other - Salary %	1,601	Payroll	1,120	481	1,601
20 5J.22	Other - Vent	124,740	Vent	-	124,740	124,740
22 6A.02	Repairs and Maintenance - Sqft	17,746	Sqft	14,859	2,887	17,746
22 6B.33	Heat - Sqft	25,338	Sqft	21,216	4,122	25,338
22 6C.33	Light & Power - Sqft	88,284	Sqft	73,924	14,360	88,284
22 6D.33	Water	44,369	Sqft	37,152	7,217	44,369
22 6F.02	Other - Sqft	39,544	Sqft	33,112	6,432	39,544
22 9.33	Rental Payments Sqft	80,471	Sqft	67,382	13,089	80,471
22 10B	Real estate taxes paid by lessor - Sqft	70,745	Sqft	59,238	11,507	70,745
27 14A	Insurance on Property - Sqft	22,053	Sqft	18,466	3,587	22,053

Waterbury Gardens						
ALLOCATION SECTION						
Cost Year 2016				TOTAL		
		INPUT		ALLOCATED AMOUNTS		
ACCOUNT		Total	ALLOCATION	Skilled Nursing	Vent	
NUMBER	ACCOUNT NAME	AMOUNT	BASIS	Facility	Unit	TOTAL
27 14C3.42	Other - Accum Costs	95,040	Accum Costs	68,182	26,858	95,040
				-	-	-
		8,647,414		6,203,688	2,443,729	8,647,414
	Reconciliation to Cost Report	(124,534.00)		6,203,688	2,443,729	
	Plus Depreciation	124,534.00		42,581	8,268	
	Cost Report Total	-	Check	6,246,269	2,451,997	

**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	of
Waterbury Gardens Nursing & Rehabilitation Center, LLC			2225-C	9/30/2016			6	37
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						
N/A	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
	<input type="radio"/>	<input type="radio"/>						
Is a Mileage Log Book Maintained for All Leased Vehicles ?							<input type="radio"/> Yes	<input type="radio"/> No
							Total ***	

* 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.

Schedule of Resident Statistics

Name of Facility		License No.			Report for Year Ended				Page	of			
Waterbury Gardens Nursing & Rehabilitation Center, LLC		2225-C			9/30/2016				8	37			
	Total All Levels	Total CCNH Level	Total RHNS Level	Total SLTC	Period 10/1 Thru 6/30				Period 7/1 Thru 9/30				
					Total	CCNH	RHNS	SLTC	Total	CCNH	RHNS	SLTC	
1. Certified Bed Capacity													
A. On last day of PREVIOUS report period	180	150		30	180	150		30	180	150			30
B. On last day of THIS report period	180	150		30	180	150		30	180	150			30
2. Number of Residents													
A. As of midnight of PREVIOUS report period									138	108			30
B. As of midnight of THIS report period	149	121		28	138	108		30	149	121			28
3. Total Number of Days Care Provided During Period													
A. Medicare	2,396	2,269		127	1,535	1,511		24	861	758			103
B. Medicaid (Conn.)	20,022	14,943		5,079	10,621	7,947		2,674	9,401	6,996			2,405
C. Medicaid (other states)													
D. Private Pay	583	583			327	327			256	256			
E. State SSI for RCH													
F. Other (Specify) Managed Care, Private Insuran	681	581		100	286	239		47	395	342			53
G. Total Care Days During Period (3A thru F)	23,682	18,376		5,306	12,769	10,024		2,745	10,913	8,352			2,561
4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds													
A. Medicaid Bed Reserve Days													
B. Other Bed Reserve Days													
5. Total Resident Days (3G + 4A + 4B)	23,682	18,376		5,306	12,769	10,024		2,745	10,913	8,352			2,561

Schedule of Resident Statistics (Cont'd)

Name of Facility Waterbury Gardens Nursing & Rehabilitation			License No. 2225-C			Report for Year Ended 9/30/2016			Page 9	of 37			
4. Were there any changes in the certified bed capacity during the report year? <input checked="" type="radio"/> Yes <input type="radio"/> No													
If "YES", provide the following information:													
Date of Change	Place of Change			Change in Beds						Capacity After Change			Reason for Change
	CCNH	RHNS	SLTC	Lost			Gained			CCNH	RHNS	SLTC	
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)				
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.													
Change in Resident Days							CCNH	RHNS	SLTC				
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	RHNS	CCNH	RHNS	CCNH	RHNS	SLTC	R.C.H.	ICF-MR				
No. of Residents	22		96	27	3		1						
Per Diem Rate													
a. One bed rm.	Various		274.19	485.74	400-425		705.00						
b. Two bed rms.	Various		274.19	485.74	375-395		705.00						
c. Three or more bed rms.	Various		274.19	485.74	375-395		705.00						
7. Total Number of Physical Therapy Treatments							TOTAL	CCNH	RHNS	SLTC			
A. Medicare - Part B							1,907	1,445		462			
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments							1,175	1,175					
2. Restorative Treatments							342			342			
C. Other							3,862	3,456		406			
D. Total Physical Therapy Treatments							7,286	6,076		1,210			
8. Total Number of Speech Therapy Treatments													
A. Medicare - Part B							260	199		61			
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments							384	221		163			
2. Restorative Treatments													
C. Other							891	767		124			
D. Total Speech Therapy Treatments							1,535	1,187		348			
9. Total Number of Occupational Therapy Treatments													
A. Medicare - Part B							1,986	1,545		441			
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments							1,846	1,328		518			
2. Restorative Treatments													
C. Other							3,854	3,451		403			
D. Total Occupational Therapy Treatments							7,686	6,324		1,362			

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
Waterbury Gardens Nursing & Rehabilitation Center, LLC	2225-C	9/30/2016	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	SLTC	Hours
A. Salaries and Wages*						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	73,739	767			31,645	329
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)	5,652	112			2,425	48
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	132,908	4,582			56,147	1,936
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor						
c. Dietary Workers	232,023	13,948			41,520	2,496
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers						
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance						
b. Other Maintenance Workers	59,130	1,987			11,486	386
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers						
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	91,241	2,261			39,157	971
b. RN						
1. Direct Care	736,552	13,259			213,783	1,720
2. Administrative**	175,374	2,878			75,263	1,235
c. LPN						
1. Direct Care	562,939	29,246			143,691	3,896
2. Administrative**						
d. Aides and Attendants	746,977	56,158			215,494	11,566
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	59,088	2,693			24,646	1,123
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	20,955	898			26,217	1,123
n. Marketing						
o. Other (Specify)						
See Attached Schedule	58,197	3,809			386,586	13,383
<i>A-13. Total Salary Expenditures</i>	2,954,775	132,598			1,268,060	40,211

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

Name of Facility				License No.		Report for Year Ended			Page	of
Waterbury Gardens Nursing & Rehabilitation Center, LLC				2225-C		9/30/2016			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	SLTC							
Section I - Operators/Owners										
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.

Annual Report of Long-Term Care Facility

**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	
Waterbury Gardens Nursing & Rehabilitation Center, LLC				2225-C	9/30/2016			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	SLTC							
Section III - Administrators***										
Shalom Lerner	73,739		31,645	Non discriminatory	Administrator	1,096	A2	N/A		
Section IV - Assistant Administrators										
Avi Rosenbloom	5,652		2,425	Non discriminatory	Assistant Administrator	160	A3	N/A		

*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	License No.	Report for Year Ended	Page	of		
Waterbury Gardens Nursing & Rehabilitation Center	2225-C	9/30/2016	13	37		
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	SLTC	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						
2. Dentist	2,887	38			833	11
3. Pharmacist						
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	238,138	3,175			47,424	632
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	27,888	186			61,808	412
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	41,724	556			12,232	163
b. Other						
10. Occupational Therapist						
a. Resident Care	204,201	3,403			43,979	733
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	18,504	308			5,371	90
2. Administrative***	88	1			38	1
b. LPN						
1. Direct Care						
2. Administrative***						
c. Aides						
d. Other						
12. Other (Specify) See Attached Schedule						
B-13 Total Fees Paid in Lieu of Salaries	533,430	7,669			171,685	2,042

* 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.

C. Expenditures Other Than Salaries - Administrative and General

Name of Facility	License No.	Report for Year Ended		Page	of
Waterbury Gardens Nursing & Rehabilitation Ce	2225-C	9/30/2016		15	37
Item	Total	CCNH	RHNS	SLTC	
1. Administrative and General					
a. Employee Health & Welfare Benefits					
1. Workmen's Compensation	\$ 282,564	197,714			84,850
2. Disability Insurance	\$				
3. Unemployment Insurance	\$				
4. Social Security (F.I.C.A.)	\$ 392,788	274,839			117,949
5. Health Insurance	\$ 303,279	212,208			91,071
6. Life Insurance (employees only) (not-owners and not-operators)	\$				
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$				
8. Uniform Allowance	\$				
9. Other (<i>Specify</i>) See Attached Schedule	\$ 421	295			126
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$				
c. Bad Debts*	\$ 175,450	125,868			49,582
d. Accounting and Auditing	\$ 28,959	20,775			8,184
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 51,095	36,656			14,439
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$				
g. Office Supplies	\$ 28,155	20,198			7,957
h. Telephone and Cellular Phones					
1. Telephone & Pagers	\$ 7,822	5,612			2,210
2. Cellular Phones	\$				
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	\$ 486,768	377,707			109,061
Subtotal	\$ 1,757,301	1,271,872			485,429

* 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**

Waterbury Gardens Nursing & Rehabilitation Center, LLC
9/30/2016

Attachment Page 15

Schedule of Other Employee Benefits

Description	CCNH	RHNS	SLTC
	0		0
Employee Relations (Disallowed)	\$ 295		\$ 126
Total	\$ 295	\$ -	\$ 126

Schedule of Other Taxes

Description	CCNH	RHNS	SLTC
	0		0
Total	\$ -	\$ -	\$ -

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

Name of Facility	License No.	Report for Year Ended	Page	of	
Waterbury Gardens Nursing & Rehabilitation Center,	2225-C	9/30/2016	16	37	
Item		Total	CCNH	RHNS	SLTC
Subtotals Brought Forward:		1,757,301	1,271,872		485,429
I. Travel and Entertainment					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$				
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$	14,700	10,546		4,154
5. Education Expenses Related to Seminars and Conventions	\$	5,705	4,754		951
6. Automobile Expense <i>(not purchase or depreciation)</i>	\$				
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	\$	14,386	10,321		4,065
4. Fund-Raising***	\$				
5. Medical Records	\$	716	514		202
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$				
7. Postage	\$	2,059	1,477		582
* 8. Dues and Membership Fees to Professional Associations <i>(Specify)</i> See Attached Schedule	\$	4,054	3,378		676
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$				
9. Subscriptions	\$				
10. Contributions*** See Attached Schedule	\$				
11. Services Provided by Contract <i>(Specify and Complete Schedule C-2, Page 21 for each firm or individual)</i>	\$	5,945	4,265		1,680
12. Administrative Management Services**	\$	293,000	227,353		65,647
13. Other <i>(Specify)</i> See Attached Schedule	\$	73,320	52,600		20,720
C-14 Total Administrative & General Expenditures	\$	2,171,186	1,587,080		584,106

* 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	SLTC
	0		0
Total Other Travel and Entertainment	\$ -	\$ -	\$ -

Schedule of Other Advertising

Description	CCNH	RHNS	SLTC
	0		0
Other Advertising (Disallowed)	\$ 10,321		\$ 4,065
Total Other Advertising	\$ 10,321	\$ -	\$ 4,065

Schedule of Dues

Description	CCNH	RHNS	SLTC
	0		0
CAHCF	\$ 3,378		\$ 676
Total Dues	\$ 3,378	\$ -	\$ 676

Schedule of Contributions

Description	CCNH	RHNS	SLTC
	0		0
Total Contributions	\$ -	\$ -	\$ -

Schedule of Other Administrative and General

Description	CCNH	RHNS	SLTC
	0		0
Pre-Employment Testing	\$ 2,872		\$ 1,132
Routine Bank Charges	\$ 1,645		\$ 648
Computer Maintenance	\$ 35,245		\$ 13,884
Licenses and Certifications	\$ 10,976		\$ 4,323
Fines and Penalties (Disallowed)	\$ 33		\$ 13
Equipment Rental	\$ 73		\$ 29
Consulting (Disallowed)	\$ 160		\$ 63
Misc. Expense (Disallowed)	\$ 448		\$ 177
Clinical Reimbursement Consultant	\$ 1,148		\$ 452
Total Other Administrative and General	\$ 52,600	\$ -	\$ 20,720

Schedule C-1 - Management Services*

Name of Facility Waterbury Gardens Nursing & Rehabilita	License No. 2225-C	Report for Year Ended 9/30/2016	Page 17	of 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 #	
Priority Care Group LLC, 99 W Hawthorn Avenue, Valley Stream, NY 11580	293,000	Operational and Financial Management	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		License No.	Report for Year Ended		Page	of
Waterbury Gardens Nursing & Rehabilitation Center, I		2225-C	9/30/2016		18	37
Item	Total	CCNH	RHNS	SLTC		
2. Dietary						
a. In-House Preparation & Service						
1. Raw Food	\$ 156,056	132,369				23,687
2. Non-Food Supplies	\$ 12,655	10,734				1,921
3. Other (Specify) _____	\$ _____					
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)	\$ 15,295	12,973				2,322
c. Management Services**	\$ _____					
d. Other (Specify) _____ Minor equipment rental	\$ 110	93				17
2E. Total Dietary Expenditures (2a + b + c + d)	\$ 184,116	156,169				27,947
2F. Dietary Questionnaire	Total	CCNH	RHNS	SLTC		
G. Resident Meals: Total no. of meals served per day:*						
H. Is cost of employee meals included in 2E?	<input checked="" type="radio"/> Yes	<input type="radio"/> No				
I. Did you receive revenue from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.			
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)						
K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E?	<input checked="" type="radio"/> Yes	<input type="radio"/> No	If yes, specify cost.			
L. Is any revenue collected from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.			
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)						
N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.			
O. Is any revenue collected from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.			
P. 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.

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

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

Name of Facility		License No.	Report for Year Ended		Page	of
Waterbury Gardens Nursing & Rehabilitation Center, LI		2225-C	9/30/2016		19	37
Item		Total	CCNH	RHNS	SLTC	
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. \$				
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 (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$	50,163	39,127	11,036	
c. Management Services**		\$				
d. Other (Specify)		\$				
3E. Total Laundry Expenditures (3a + b + c + d)		\$	50,163	39,127	11,036	
3F. Laundry Questionnaire						
G. Is cost of employee laundry included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
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 laundry provided to persons other than employees or residents included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
K. Did you receive revenue 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)				

* 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 3E.

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

*** 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		License No.	Report for Year Ended		Page	of
Waterbury Gardens Nursing & Rehabilitation C		2225-C	9/30/2016		20	37
Item		Total	CCNH	RHNS	SLTC	
4.	Housekeeping	Sq. Ft. Served by Personnel				
a.	In-House Care	Amt.	\$ 8,780	7,352		1,428
	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. Served by Personnel				
		Amt.	\$ 189,653	158,804		30,849
c.	Management Services*		\$			
d.	Other (<i>Specify</i>)		\$			
4E.	Total Housekeeping Expenditures (4a + b + c + d)		\$ 198,433	166,156		32,277
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy		\$			
	2. Purchased from Outside Pharmacy		\$ 242,609	188,252		54,357
b.	Medicine Cabinet Drugs		\$ 6,345	4,923		1,422
c.	Medical and Therapeutic Supplies		\$ 143,084	111,026		32,058
d.	Ambulance/Limousine***		\$ 2,295	1,781		514
e.	Oxygen					
	1. For Emergency Use		\$			
	2. Other***		\$ 25,888			25,888
f.	X-rays and Related Radiological Procedures***		\$ 8,995	6,980		2,015
g.	Dental (<i>Not dentists who should be included under salaries or fees</i>)		\$			
h.	Laboratory***		\$ 15,863	12,309		3,554
i.	Recreation		\$ 16,108	12,499		3,609
j.	Other (Specify)**** See Attached Schedule		\$ 170,790	35,649		135,141
5K.	Total Resident Care Expenditures (5a - 5j)		\$ 631,977	373,419		258,558

* 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.

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

Name of Facility Waterbury Gardens Nursing & Rehabilitation Center, LLC			License No. 2225-C		Report for Year Ended 9/30/2016			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	SLTC	Pg	Line
Morrison Community Living	400 Nothbridge Rd., Suite 600, Atlanta, GA	<input type="radio"/>	<input checked="" type="radio"/>		Dietary Management	12,973		2,322	18	2B
Healthcare Services	Bensalem Township, PA	<input type="radio"/>	<input checked="" type="radio"/>		Laundry Management	39,127		11,036	19	3B
Healthcare Services	Bensalem Township, PA	<input type="radio"/>	<input checked="" type="radio"/>		Housekeeping Management	158,804		30,849	20	4B
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input type="radio"/>							
		<input type="radio"/>	<input 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).

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

Name of Facility	License No.	Report for Year Ended			Page	of
Waterbury Gardens Nursing & Rehabilitation	2225-C	9/30/2016			22	37
Item	Total	CCNH	RHNS	SLTC		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 17,746	14,859		2,887		
b. Heat	\$ 25,339	21,217		4,122		
c. Light & Power	\$ 88,284	73,924		14,360		
d. Water	\$ 44,369	37,152		7,217		
e. Equipment Lease (<i>Provide detail on page 6</i>)	\$					
f. Other (<i>itemize</i>)	\$ 39,544	33,112		6,432		
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$ 215,282	180,264		35,018		
7. Depreciation (<i>complete schedule page 23*</i>)						
a. Land Improvements	\$					
b. Building & Building Improvements	\$ 1,849	1,548		301		
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 49,000	41,033		7,967		
*7e. Total Depreciation Costs (7a + b + c + d)	\$ 50,849	42,581		8,268		
8. Amortization (<i>Complete att. Schedule Page 24*</i>)						
a. Organization Expense	\$					
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$					
d. Other (<i>Specify</i>)	\$					
*8e. Total Amortization Costs (8a + b + c + d)	\$					
9. Rental payments on leased real property less real estate taxes included in item 10b	\$ 80,471	67,382		13,089		
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$ 70,745	59,238		11,507		
c. Personal property taxes	\$					
11. Total Property Expenses (7e + 8e + 9 + 10)	\$ 202,065	169,201		32,864		

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

Depreciation Schedule

Name of Facility Waterbury Gardens Nursing & Rehabilitation Center, LLC		License No. 2225-C		Report for Year Ended 9/30/2016			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												
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
A-4. Subtotal												
B. Building and Building Improvements												
1. Acquired prior to this report period												
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)	18,486		18,486		S/L	5	1,849					
B-4. Subtotal								1,849				
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)			3	2016	490,000		490,000		S/L	5	49,000	
D-3. Subtotal												49,000
E. Total Depreciation												50,849

***Note: Please see rate computation report for historical asset values.**

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
3/16/2016	Purchase of Prior Owner's Movable Assets	\$ 490,000	5	\$ 49,000
Total additions for Movable Equipmen		\$ 490,000		\$ 49,000
Deletions:				
Total deletions for Movable Equipmen		\$ -		\$ -

*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:				
Total additions for Leasehold Improvemem		\$ -		\$ -
Deletions:				
Total deletions for Leasehold Improvemem		\$ -		\$ -

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

**Waterbury Gardens
Depreciation Schedule
09/30/16**

	<u>Acquisition Year</u>	<u>Historical Costs</u>	<u>Cost to Be Depreciated</u>	<u>Life</u>	<u>Method Life</u>	<u>2016 Deprec.</u>	<u>2016 Accum Dep.</u>
<u>Operating Company</u>							
Building / Improvements							
<u>Acquired in 2016</u>							
Restore and Clean HVAC	7/20/2016	18,486	18,486	5	S/L	1,849	1,849
Total		18,486	18,486			1,849	1,849
Movable Equipment							
<u>Acquired in 2016</u>							
Purchase of Prior Owner's Assets	3/16/2016	490,000	490,000	5	S/L	49,000	49,000
Total		490,000	490,000			49,000	49,000
Reconciliation to TB				Reconciliation to TB			
Depreciation per TB		-					18,486
Depreciation per Schedule		50,849					16,637
Page 36 Adj.		(50,849)					1,849

Annual Report of Long-Term Care Facility

Amortization Schedule*

Name of Facility			License No.		Report for Year Ended			Page	of
Waterbury Gardens Nursing & Rehabilitation Center, LLC			2225-C		9/30/2016			24	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									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
C-4. Subtotal									
D. Total Amortization									

* Straight-line method must be used.

** Specify which of the following bases were used:

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

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

Name of Facility Waterbury Gardens Nursing & Rehabi	License No. 2225-C	Report for Year Ended 9/30/2016	Page 25	of 37	
11. Property Questionnaire					
Part A					
Is the property either owned by the Facility or leased from a Related Party?*		<input checked="" type="radio"/> Yes	<input type="radio"/> 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	03/16/16				
4. Date of Initial Licensure	03/16/16				
5. Total Licensed Bed Capacity	180				
6. Square Footage	61,084				
7. Acquisition Cost					
a. Land	5,500,000				
b. Building					
Part B - Owner and Related Parties		1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing					
a. Type of Financing (e.g., fixed, variable)		Variable			
b. Date Mortgage Obtained		03/16/16			
c. Interest Rate for the Cost Year		Various			
d. Term of Mortgage (number of years)		5 years			
e. Amount of Principal Borrowed		4,400,000			
f. Principal balance outstanding as of 9/30/2016		4,400,000			
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			Page	of
Waterbury Gardens Nursing & Rehab		2225-C	9/30/2016			26	37
Item		Total	CCNH	RHNS	SLTC		
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			Page	of
Waterbury Gardens Nursing & Reha		2225-C		9/30/2016			27	37
Item				Total	CCNH	RHNS	SLTC	
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)				\$				
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$				
14. Insurance								
a. Insurance on Property (buildings only)			\$	22,053	18,466		3,587	
b. Insurance on Automobiles			\$					
c. Insurance other than Property (as specified above)			\$					
1. Umbrella (Blanket Coverage)			\$					
2. Fire and Extended Coverage			\$					
3. Other (Specify)			\$	95,041	68,182		26,859	
Business Insurance								
14d. Total Insurance Expenditures (14a + b + c)				\$	117,094	86,648	30,446	
15. Total All Expenditures (A-13 thru C-14)				\$	8,698,266	6,246,269	2,451,997	

D. Adjustments to Statement of Expenditures

Name of Facility			License No.	Report for Year Ended	Page	of	
Waterbury Gardens Nursing & Rehabilitation Center, LLC			2225-C	9/30/2016	28	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	SLTC
Page 10 - Salaries and Wages							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.	10	A12g	Occupational Therapy	\$			
4.			Other - See attached Schedule	\$			
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 204,201	204,201		
7.			Other - See attached Schedule	\$			
Pages 15 & 16 - Administrative and General							
8.	15	1a9	Discriminatory Benefits	\$ 421	295		126
9.	15	1c	Bad Debts	\$ 175,450	125,868		49,582
10.	15	1e	Accounting & Legal	\$ 49,595	35,580		14,015
11.			Telephone	\$			
12.			Cellular Telephone	\$			
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.			Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$			
17.			Automobile Expense (e.g. personal use)	\$			
18.	16	m2/3	Unallowable Advertising *	\$ 14,386	10,321		4,065
19.			Income Tax / Corporate Business Tax	\$			
20.			Fund Raising / Contributions	\$			
21.	16	m12	Unallowable Management Fees	\$ 116,614	93,432		23,182
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 894	641		253
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)				\$ 561,561	470,338		91,223

* 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.

Waterbury Gardens
 Management Fee Disallowance
 9/30/2016

Page 28		Facility : Waterbury Gardens					Year End: 09/30/16			
Line	Description	Pg Ln Number	Alloc Code	G/L Amount	Reclass Amount	Adj. G/L Amount	CCH	RHNS	SLTC	Alloc. Check
<u>21</u>	<u>Management Fee to Related Party</u>	16 1 m 12		293,000						
	Allocation Percentage						76%		24%	100%
	Sub total			-	-		222,064		70,936	293,000
	Days						18,376		5,306	
	PPD Fee						12.08		13.37	
	Allowed**						7.00		9.00	
	Unallowable PPD						5.08		4.37	
	Unallowable Total						93,432		23,182	

**Per CHOW rate agreement dated 12/11/15

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

Name of Facility				License No.	Report for Year Ended	Page	of
Waterbury Gardens Nursing & Rehabilitation Center, LLC				2225-C	9/30/2016	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	SLTC
Subtotals Brought Forward				\$ 561,561	470,338		91,223
Page 20 - Resident Care Supplies***							
27.	20	5a1/2	Prescription Drugs	\$ 188,252	188,252		
28.	20	5d	Ambulance/Limousine	\$ 1,781	1,781		
29.	20	5f	X-rays, etc	\$ 6,980	6,980		
30.	20	5h	Laboratory	\$ 12,309	12,309		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$			
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 32,206	32,162		43
Page 22 - Maintenance and Property							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
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	\$			
Page 27 - Insurance							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
Other - Miscellaneous							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$ 6,336	6,245		91
Not For Profit Providers Only							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
51. Total Amount of Decrease (Items 1 - 50)				\$ 809,425	718,068		91,357

*** 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.

Waterbury Gardens Nursing & Rehabilitation Center, LLC
 9/30/2016

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	SLTC
20	5j	Resident Items (Disallowed)	\$ 146		\$ 43
20	5j	Equipment Rental - Resident (Disallow - SNF Only)	\$ 32,017		
Total Other Ancillary Costs			\$ 32,162	\$ -	\$ 43

Schedule of Excess Movable Equipment Depreciation

Page Ref	Line Ref	Description	CCNH	RHNS	SLTC
Total Excess Movable Equipment Depreciation			\$ -	\$ -	\$ -

Schedule of Other Property Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	SLTC
Total Other Property Adjustments			\$ -	\$ -	\$ -

Page Ref	Line Ref	Description	CCNH	RHNS	SLTC
20	5i	Cable	\$ 5,932		
30	IV 8	Vendor Refunds	\$ 310		\$ 90
30	IV 5	Interest Income	\$ 3		\$ 1
Total Other Adjustments			\$ 6,245	\$ -	\$ 91

Schedule of Unallowable Building Interest

Page Ref	Line Ref	Description	CCNH	RHNS	SLTC
Total Unallowable Building Interest			\$ -	\$ -	\$ -

**Waterbury Gardens 2016 Medicaid Report
 Disallowance Schedule for Cable TV
 9/30/2016**

Total Cable TV Expense	<u>Amount</u> 9,625 TB Linked
Monthly Allowable amount	\$ 300
Months in Cost Report Year	<u>6.5</u>
Total Allowable Cost	\$ 1,950
 Disallowed Cable TV	 <u>\$ 7,675</u>

Allocation Between Levels of Care

	Percent	Amount
SNF	77%	\$ 5,932
VENT	23%	N/A

Note: Due to the condition of the residents on the vent unit, we will not propose a limitation on cable for that unit.

F. Statement of Revenue

Name of Facility	License No.	Report for Year Ended			Page	of
Waterbury Gardens Nursing & Rehabilitation	2225-C	9/30/2016			30	37
Item	Total	CCNH	RHNS	SLTC		
I. Resident Room, Board & Routine Care Revenue						
1. a. Medicaid Residents (<i>CT only</i>)	\$ 6,320,501	3,853,428		2,467,073		
b. Medicaid Room and Board Contractual Allowance **	\$					
2. a. Medicaid (<i>All other states</i>)	\$					
b. Other States Room and Board Contractual Allowance **	\$					
3. a. Medicare Residents (<i>all inclusive</i>)	\$ 1,546,721	1,438,266		108,455		
b. Medicare Room and Board Contractual Allowance **	\$					
4. a. Private-Pay Residents and Other	\$ 685,690	610,531		75,159		
b. Private-Pay Room and Board Contractual Allowance **	\$					
II. Other Resident Revenue						
1. a. Prescription Drugs - Medicare	\$ 86,113	66,819		19,294		
b. Prescription Drugs - Medicare Contractual Allowance **	\$					
c. Prescription Drugs - Non-Medicare	\$ 39,641	30,759		8,882		
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$					
2. a. Medical Supplies - Medicare	\$					
b. Medical Supplies - Medicare Contractual Allowance **	\$					
c. Medical Supplies - Non-Medicare	\$					
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$					
3. a. Physical Therapy - Medicare	\$ 666,279	555,629		110,650		
b. Physical Therapy - Medicare Contractual Allowance **	\$					
c. Physical Therapy - Non-Medicare	\$ 270,670	225,719		44,951		
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$					
4. a. Speech Therapy - Medicare	\$ 123,200	95,269		27,931		
b. Speech Therapy - Medicare Contractual Allowance **	\$					
c. Speech Therapy - Non-Medicare	\$ 46,200	35,726		10,474		
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$					
5. a. Occupational Therapy - Medicare	\$ 634,953	522,436		112,517		
b. Occupational Therapy - Medicare Contractual Allowance **	\$					
c. Occupational Therapy - Non-Medicare	\$ 279,972	230,360		49,612		
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$					
6. a. Other (<i>Specify</i>) - Medicare	\$ (1,296,544)	(1,006,051)		(290,493)		
b. Other (<i>Specify</i>) - Non-Medicare	\$ (631,852)	(490,284)		(141,568)		
III. Total Resident Revenue (Section I. thru Section II.)	\$ 8,771,544	6,168,607		2,602,937		
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>)	\$ 4	3		1		
6. Private Duty Nurses' Fees	\$					
7. Barber, Coffee, Beauty and Gift shops	\$					
8. Other (<i>Specify</i>)	\$ 400	310		90		
V. Total Other Revenue (1 thru 8)	\$ 404	313		91		
VI. Total All Revenue (III +V)	\$ 8,771,948	6,168,920		2,603,028		

* 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	SLTC
		(0)		(0)
II 6a	Various Other Medicare Services	\$ 35,336		\$ 10,203
II 6a	Contractual Allowances	\$ (1,041,387)		\$ (300,696)
Total Other Resident Revenue - Medicare		\$ (1,006,051)	\$ -	\$ (290,493)

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	SLTC
		0		0
II 6b	Various Other Non Medicare Services	\$ 31,479		\$ 9,090
II 6b	Contractual Allowances	\$ (521,763)		\$ (150,658)
Total Other Resident Revenue		\$ (490,284)	\$ -	\$ (141,568)

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	SLTC
			0		0
IV 5	Interest Income	409,642	\$ 3		\$ 1
Total Interest Income			\$ 3	\$ -	\$ 1

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	SLTC
		0		0
IV 8	Vendor Refunds	\$ 310		\$ 90
Total Other Revenue		\$ 310	\$ -	\$ 90

G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
Waterbury Gardens Nursing & Rehabil	2225-C	9/30/2016	31	37
Account			Amount	
Assets				
A. Current Assets				
1. Cash (<i>on hand and in banks</i>)			\$	681,651
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,828,464
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	65,000
5. Prepaid Expenses			\$	318,393
a. Prepaid Expenses	124,107			
b. Prepaid Insurance	194,286			
c. _____				
d. _____				
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (<i>itemize</i>)			\$	

A-9. Total Current Assets (Lines A1 thru 8)			\$	2,893,508
B. Fixed Assets				
1. Land			\$	
2. Land Improvements	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
3. Buildings	*Historical Cost <u>18,486</u>		\$	16,637
	Accum. Depreciation <u>1,849</u>	Net		
4. Leasehold Improvements	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
5. Non-Movable Equipment	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
6. Movable Equipment	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
7. Motor Vehicles	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (<i>itemize</i>)			\$	1,849
CR vs FS NBV	1,849			
B-10. Total Fixed Assets (Lines B1 thru 9)			\$	18,486

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

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

Name of Facility		License No.	Report for Year Ended	Page	of
Waterbury Gardens Nursing & Rehabil		2225-C	9/30/2016	32	37
Account				Amount	
Total Brought Forward:				\$	2,911,994
C. Leasehold or like property recorded for Equity Purposes.					
1. Land				\$	
2. Land Improvements		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
3. Buildings		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
4. Non-Movable Equipment		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
5. Movable Equipment		*Historical Cost <u>490,000</u>		\$	
		Accum. Depreciation <u>49,000</u>	Net	\$	441,000
6. Motor Vehicles		*Historical Cost _____		\$	
		Accum. Depreciation _____	Net	\$	
7. Minor Equipment-Not Depreciable				\$	
C-8 Total Leasehold or Like Properties (C1 thru 7)				\$	441,000
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 (<i>itemize</i>)				\$	

6. Loans to Owners or Related Parties (<i>itemize</i>)				\$	
Name and Address		Amount	Loan Date		
_____		_____	_____		
7. Other Assets (<i>itemize</i>)				\$	

D-8. Total Investments and Other Assets (Lines D1 thru 7)				\$	
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)				\$	3,352,994

* 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
Waterbury Gardens Nursing & Rehabilitation		2225-C	9/30/2016	33	37
Account				Amount	
Liabilities					
A. Current Liabilities					
1. Trade Accounts Payable				\$	1,104,240
2. Notes Payable (<i>itemize</i>)				\$	

3. Loans Payable for Equipment (<i>Current portion</i>) (<i>itemize</i>)				\$	
Name of Lender	Purpose	Amount	Date Due		
4. Accrued Payroll (<i>Exclusive of Owners and/or Stockholders only</i>)				\$	659,967
5. Accrued Payroll (<i>Owners and/or Stockholders only</i>)				\$	
6. Accrued Payroll Taxes Payable				\$	10,456
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>)				\$	1,524,257
Accrued Expenses		1,463,856			
Other Liability		10,400			
Resident Trust Liability		50,000			
Rounding		1			
A-13. Total Current Liabilities (Lines A1 thru 12)				\$	3,298,920

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

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

Name of Facility Waterbury Gardens Nursing & Rehabilitatio		License No. 2225-C	Report for Year Ended 9/30/2016	Page 34	of 37
Account				Amount	
Total Brought Forward:				3,298,920	
Liabilities (cont'd)					
B. Long-Term Liabilities					
1. Loans Payable-Equipment (<i>itemize</i>)					\$
Name of Lender		Purpose	Amount	Date Due	
2. Mortgages Payable					\$
3. Loans from Owners or Related Parties (<i>itemize</i>)					\$
Name and Address of Lender		Amount	Loan Date		
4. Other Long-Term Liabilities (<i>itemize</i>)					\$ (788,037)
Due To/From Opco Facilities			(344,103)		
Due To/From Propco			(444,656)		
Due To/From Priority Healthcare Group			(221)		
Due To/From Opco Consolidated			943		
B-5. Total Long-Term Liabilities (Lines B1 thru 4)					\$ (788,037)
C. Total All Liabilities (Lines A-13 + B-5)					\$ 2,510,883

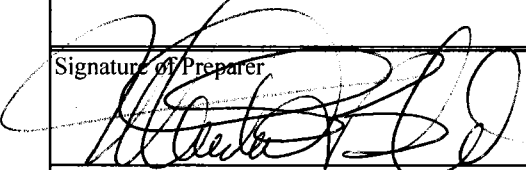
G. Balance Sheet (cont'd)
Reserves and Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of	
Waterbury Gardens Nursing & Rehabil	2225-C	9/30/2016	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			\$	441,000	
3. Reserve for depreciation value of leased personal property (<i>Equity</i>)			\$		
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			\$	441,000	
B. Net Worth					
1. Owner's Capital			\$	800,000	
2. Capital Stock			\$		
3. Paid-in Surplus			\$		
4. Treasury Stock			\$		
5. Cumulated Earnings			\$	(523,422)	
6. Gain or Loss for Period					
	3/16/2016	thru	9/30/2016	\$	124,533
7. Total Net Worth			\$	401,111	
C. Total Reserves and Net Worth			\$	842,111	
D. Total Liabilities, Reserves, and Net Worth			\$	3,352,994	

H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of	
Waterbury Gardens Nursing & Rehabil	2225-C	9/30/2016	36	37	
Account			Amount		
A. Balance at End of Prior Period as shown on Report of 09/30/2015			\$		
B. Total Revenue <i>(From Statement of Revenue Page 30)</i>			\$	8,771,948	
C. Total Expenditures <i>(From Statement of Expenditures Page 27)</i>			\$	8,647,415	
D. Net Income or Deficit			\$	124,533	
E. Balance			\$	124,533	
F. Additions					
1. Additional Capital Contributed <i>(itemize)</i>					
Total Expenses per Pg. 27			\$8,698,266		
CR vs FS Depreciation			(50,849)		
Rounding			(2)		
Total Expenses			\$8,647,415		
2. Other <i>(itemize)</i>					
Owner's Capital			800,000		
Retained Earnings			(523,422)		
F-3. Total Additions			\$	276,578	
G. Deductions					
1. Drawings of Owners/Operators/Partners <i>(Specify)</i>			\$		
Name and Address <i>(No., City, State, Zip)</i>		Title	Amount		
2. Other Withdrawings <i>(Specify)</i>			\$		
Purpose		Amount			
3. Total Deductions			\$		
H. Balance at End of Period	09/30/16		\$	401,111	

I. Preparer's/Reviewer's Certification

Name of Facility Waterbury Gardens Nursing &		License No. 2225-C	Report for Year Ended 9/30/2016	Page 37	of 37
<i>Check appropriate category</i>					
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input checked="" type="checkbox"/> SLTC			
Preparer/Reviewer Certification					
<p>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.</p>					
Signature of Preparer 		Title PRINCIPAL	Date Signed 1/13/17		
Printed Name of Preparer Matthew S. Bavalack					
Address Address 555 Long Wharf Drive, New Haven, CT 06511			Phone Number 203-781-9600		

Subject to the attached accountants' consulting report

ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for Waterbury Gardens for the year ended 9/30/2016, 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 Waterbury Gardens. 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 of Waterbury Gardens 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 10, 2017

Annual Report of Long-Term Care Facility Cost Year 2016 Checklist

Facility Name Waterbury Gardens

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

Yes No
 1. Have all related parties been properly disclosed on Pages 4, 11, 12, 14, 17 and 21?

Explanation: _____

Yes No
 2. Are the methods of allocating costs consistent with cost year 2015? If not, explain the reporting change.
CHOW as if 3/15/16 - Allocations consistent with page 5.

Explanation: _____

Yes No
 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
 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: N/A

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 2016, 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 cost year 2015?

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. If the automated cost report was used, were all discrepancies on the Error Page addressed? If not addressed, explain why.

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: _____

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-00-100150	Cash-Operating-One	409,642.37			409,642.37
04260-00-100210	Cash-Payroll-Two	4,250.47			4,250.47
04260-00-100299	Cash-P/R Recon Clearing	209,778.12			209,778.12
04260-00-100400	Cash-Resident Trust	50,000.00			50,000.00
04260-00-100430	Cash-Tenant Security Deposits	7,980.00			7,980.00
04260-00-110100	A/R-Resident Related	1,743,574.52			1,743,574.52
04260-00-110110	A/R-Deposit Clearing	363,802.88			363,802.88
04260-00-110210	A/R-Clearing	(185,299.76)			(185,299.76)
04260-00-110230	Refund Clearing	(5,568.00)			(5,568.00)
04260-00-110990	Reserve For Bad Debt	(174,951.52)			(174,951.52)
04260-00-112100	Other Receivable	86,906.01			86,906.01
04260-00-120100	Inventory	65,000.00			65,000.00
04260-00-130100	Prepaid Expenses	124,107.53			124,107.53
04260-00-130120	Prepaid Insurance	194,285.60			194,285.60
04260-00-160130	PPE Building Improvement	18,486.03			18,486.03
04260-00-200100	Accounts Payable	(1,104,239.85)			(1,104,239.85)
04260-00-200120	Accrued Expenses	(1,463,856.46)			(1,463,856.46)
04260-00-210100	Accrued Payroll	(130,561.77)			(130,561.77)
04260-00-210110	Accrued Payroll Taxes	(10,456.56)			(10,456.56)
04260-00-210130	Accrued Benefits	(423,544.00)			(423,544.00)
04260-00-210200	Other Liability	(10,400.00)			(10,400.00)
04260-00-215100	P/R Withholding-Garnishment	(83.00)			(83.00)
04260-00-215110	P/R Withholding-Retirement Plan	(77,207.04)			(77,207.04)
04260-00-215120	P/R Withholding-Union Dues	(7,172.39)			(7,172.39)
04260-00-215130	P/R Withholding-Life & Disability	(20,591.75)			(20,591.75)
04260-00-215140	P/R Withholding-Other	(806.66)			(806.66)
04260-00-220100	Resident Trust Liability	(50,000.00)			(50,000.00)
04260-00-260000	Due To/From Opco Facilities	344,103.27			344,103.27
04260-00-260095	Due To/From Propco	444,656.42			444,656.42
04260-00-260096	Due To/From Priority Healthcare Group-NY	220.53			220.53
04260-00-260100	Due To/From Opco Consolidated	(943.15)			(943.15)
04260-00-400115	Partner Capital	(800,000.00)			(800,000.00)
04260-00-400120	Retained Earnings	523,422.11			523,422.11
04260-00-501100	Room & Board-Medicaid	(6,564,061.94)		2,467,073.46	(4,096,988.48)
04260-00-501190	Room & Board -C/A-Medicaid	387,715.68			387,715.68
04260-00-501210	Pharmacy Rx-Medicaid	(1,068.38)			(1,068.38)
04260-00-501220	Pharmacy OTC-Medicaid	65.00			65.00
04260-00-501260	R.T.-Medicaid	(24,827.25)			(24,827.25)
04260-00-501270	P.T.-Medicaid	(165,596.22)			(165,596.22)
04260-00-501280	O.T.-Medicaid	(175,346.56)			(175,346.56)
04260-00-501290	S.T.-Medicaid	(31,700.00)			(31,700.00)
04260-00-501310	Lab-Medicaid	791.00			791.00
04260-00-501350	Enteral Feeding-Medicaid	(1,781.31)			(1,781.31)
04260-00-501990	Ancillary C/A-Medicaid	399,464.94			399,464.94
04260-00-501993	Bedhold-Medicaid	(144,157.28)			(144,157.28)
04260-00-502100	Room & Board-Medicare	(976,350.15)		108,455.37	(867,894.78)
04260-00-502190	Room & Board -C/A-Medicare	(570,371.52)			(570,371.52)
04260-00-502210	Pharmacy Rx-Medicare	(86,112.66)			(86,112.66)
04260-00-502260	R.T.-Medicare	(514.50)			(514.50)
04260-00-502270	P.T.-Medicare	(395,100.00)			(395,100.00)
04260-00-502280	O.T.-Medicare	(412,950.00)			(412,950.00)
04260-00-502290	S.T.-Medicare	(99,200.00)			(99,200.00)
04260-00-502310	Lab-Medicare	(31,242.34)			(31,242.34)
04260-00-502320	Diagnostic Testing-Medicare	(4,524.16)			(4,524.16)
04260-00-502350	Enteral Feeding-Medicare	(9,258.62)			(9,258.62)
04260-00-502990	Ancillary C/A-Medicare	1,038,902.28			1,038,902.28
04260-00-503100	Room & Board-Private	(206,076.55)			(206,076.55)
04260-00-503270	P.T.-Private	(450.00)			(450.00)
04260-00-503280	O.T.-Private	(2,550.00)			(2,550.00)
04260-00-503290	S.T.-Private	(1,100.00)			(1,100.00)
04260-00-503300	Oxygen-Private	(530.25)			(530.25)

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-00-504100	Room & Board-Managed Care Levels	(326,390.12)		75,158.70	(251,231.42)
04260-00-504190	Room & Board -C/A-Managed Care Levels	(147,222.88)			(147,222.88)
04260-00-504210	Pharmacy Rx-Managed Care Levels	(38,572.44)			(38,572.44)
04260-00-504260	P.T.-Managed Care RUGS	(598.50)			(598.50)
04260-00-504270	P.T.-Managed Care Levels	(104,025.00)			(104,025.00)
04260-00-504280	O.T.-Managed Care Levels	(102,075.00)			(102,075.00)
04260-00-504290	S.T.-Managed Care Levels	(13,400.06)			(13,400.06)
04260-00-504310	Lab-Managed Care Levels	(7,784.93)			(7,784.93)
04260-00-504320	Diagnostic Testing-Managed Care Levels	(1,300.36)			(1,300.36)
04260-00-504350	Enteral Feeding-Managed Care Levels	(4,344.85)			(4,344.85)
04260-00-504990	Ancillary C/A-Managed Care Levels	272,100.04			272,100.04
04260-00-508100	Room & Board-Hospice	(3,794.52)			(3,794.52)
04260-00-508190	Room & Board -C/A-Hospice	(2,205.48)			(2,205.48)
04260-00-512270	P.T.-Medicare B	(271,178.78)			(271,178.78)
04260-00-512280	O.T.-Medicare B	(222,003.44)			(222,003.44)
04260-00-512290	S.T.-Medicare	(24,000.00)			(24,000.00)
04260-00-512990	Ancillary C/A-Medicare B	303,180.97			303,180.97
04260-00-540100	Interest Income	(3.77)			(3.77)
04260-00-540137	Vendor Refunds	(400.00)			(400.00)
04260-10-600105	Nursing-Salary Productive - Supervisor	106,367.31			106,367.31
04260-10-600107	Nursing-Salary Productive-Unit Manager	23,956.51			23,956.51
04260-10-600109	Nursing-Salary Productive-RN	705,246.54			705,246.54
04260-10-600111	Nursing-Salary Productive-LPN	606,161.40			606,161.40
04260-10-600113	Nursing-Salary Productive-Aide	823,976.93			823,976.93
04260-10-600205	Nursing-Overtime-Supervisor	4,372.84			4,372.84
04260-10-600207	Nursing-Overtime-Unit Manager	118.12			118.12
04260-10-600209	Nursing-Overtime-RN	35,491.58			35,491.58
04260-10-600211	Nursing-Overtime-LPN	24,545.20			24,545.20
04260-10-600213	Nursing-Overtime-Aide	21,473.38			21,473.38
04260-10-600305	Nursing-Salary Non-Productive-Supervisor	15,771.03			15,771.03
04260-10-600307	Nursing-Salary Non Productive-Unit Manager	2,811.05			2,811.05
04260-10-600309	Nursing-Salary Non Productive-RN	56,199.80			56,199.80
04260-10-600311	Nursing-Salary Non Productive-LPN	75,922.90			75,922.90
04260-10-600313	Nursing-Salary Non Productive-Aide	117,020.33			117,020.33
04260-10-601100	Nursing-Payroll Taxes	254,951.08			254,951.08
04260-10-603100	Nursing-Health Insurance	291,408.03			291,408.03
04260-10-605100	Nursing-Employee Relations	68.66			68.66
04260-10-607120	Nursing-Training/Inservices	1,705.00			1,705.00
04260-10-608110	Nursing-Travel Allowance	1,073.13			1,073.13
04260-10-610240	Nursing-Equipment Rental	1,601.00			1,601.00
04260-10-650100	Nursing-Purchased Services	23,707.23		(12,260.00)	11,447.23
04260-10-650160	Nursing-Consulting Fees	23,875.00			23,875.00
04260-10-650180	Medical Director-Nursing-	89,696.30			89,696.30
04260-12-600101	Nursing Administration-Salary Productive-Director	85,641.25			85,641.25
04260-12-600103	Nursing Admin-Salary Productive-Assistant Dir	38,967.89			38,967.89
04260-12-600119	Nursing Administration-Salary Productive-Assessmen	75,263.03			75,263.03
04260-12-600123	Nursing Administration-Salary-Productive-Staff Dev	63,533.06			63,533.06
04260-12-600127	Nursing Administration-Salary Productive-Central S	24,315.66			24,315.66
04260-12-600129	Nursing Administration-Salary Productive-Clerical	3,812.44			3,812.44
04260-12-600179	Nursing Admin-Sal Prod Reg Allocation	87,142.77			87,142.77
04260-12-600223	Overtime-Staff Development	97.97			97.97
04260-12-600227	Nursing Administration-Overtime-Central Supply Cle	2.69			2.69
04260-12-600229	Nursing Administration-Overtime-Clerical Staff	65.32			65.32
04260-12-600301	Nursing Administration-Salary Non Productive-Direc	4,453.86			4,453.86
04260-12-600303	Nursing Admin-Salary Non Productive-Assis Dir	1,335.31			1,335.31
04260-12-600319	Nursing Administration-Salary Non Productive-Asses	9,676.10			9,676.10
04260-12-600323	Nursing Administration-Salary Non Productive-Nursi	14,155.00			14,155.00
04260-12-600327	Nursing Administration-Salary Non Productive-Centr	6,010.90			6,010.90
04260-12-600329	Nursing Administration-Salary Non Productive-Cleri	522.48			522.48
04260-12-600379	Nursing Admin-Sal Non Prod Regional Allocation	769.23			769.23
04260-12-601100	Nursing Admin-Payroll Taxes	32,003.54			32,003.54
04260-12-608110	Nursing Administration-Travel Allowance	4,000.00			4,000.00
04260-12-650100	Nursing Administration-Purchased Services	126.25			126.25
04260-14-600101	Human Resources-Salary Productive-Director	30,842.97			30,842.97
04260-14-600201	Human Resources-Overtime-Director	2,699.96			2,699.96

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-14-600301	Human Resources-Salary Non Productive-Director	7,404.29			7,404.29
04260-14-601100	Human Resources-Payroll Taxes	3,337.38			3,337.38
04260-16-600101	Admissions-Salary Productive-Director	39,632.75			39,632.75
04260-16-600201	Admissions-Overtime-Director	1,534.81			1,534.81
04260-16-600301	Admissions-Salary Non Productive-Director	7,275.90			7,275.90
04260-16-601100	Admissions-Payroll Taxes	4,403.39			4,403.39
04260-16-610260	Admissions - Marketing/Advertising	14,385.50			14,385.50
04260-18-600101	Medical Records-Salary Productive-Director	7,346.24			7,346.24
04260-18-600301	Medical Records-Salary Non Productive-Director	834.80			834.80
04260-18-601100	Medical Records-Payroll Taxes	800.13			800.13
04260-18-610105	Medical Records-Supplies - Dept. Specific	195.00			195.00
04260-18-650100	Medical Records-Purchased Services	521.13			521.13
04260-20-600101	Social Services-Salary Productive-Director	41,478.35			41,478.35
04260-20-600201	Social Services-Overtime-Director	342.00			342.00
04260-20-600301	Social Services-Salary Non Productive-Director	5,351.77			5,351.77
04260-20-601100	Social Services-Payroll Taxes	3,958.43			3,958.43
04260-20-620100	Social Services-Resident Items	189.00			189.00
04260-22-600101	Activities-Salary Productive-Director	30,383.55			30,383.55
04260-22-600113	Activities-Salary Productive-Aide	40,059.37			40,059.37
04260-22-600201	Activities-Overtime-Director	1,127.21			1,127.21
04260-22-600213	Activities-Overtime-Aide	509.84			509.84
04260-22-600301	Activities-Salary Non Productive-Director	4,683.32			4,683.32
04260-22-600313	Activities-Salary Non Productive-Aide	6,971.03			6,971.03
04260-22-601100	Activities-Payroll Taxes	7,006.73			7,006.73
04260-22-610100	Activities-Supplies - Office	214.23			214.23
04260-22-610105	Activities-Supplies - Dept. Specific	1,980.11			1,980.11
04260-22-620105	Activities-Entertainment	490.00			490.00
04260-22-620110	Activities-Special Events	3,500.27			3,500.27
04260-22-650100	Activities-Purchased Services	298.89			298.89
04260-24-600101	Physical Therapy-Salary Productive-Director	27,165.00			27,165.00
04260-24-600113	Physical Therapy-Salary Productive-Aide	4,247.08			4,247.08
04260-24-601100	Physical Therapy-Payroll Taxes	533.01			533.01
04260-24-610105	Physical Therapy-Supplies - Dept. Specific	547.16			547.16
04260-24-610110	Physical Therapy-Supplies - Minor Equipment	126.02			126.02
04260-24-650100	Physical Therapy-Purchased Services	254,150.17			254,150.17
04260-26-650100	Occupational Therapy-Purchased Services	248,180.13			248,180.13
04260-28-610105	Speech Therapy-Supplies - Dept. Specific	90.42			90.42
04260-28-650100	Speech Therapy-Purchased Services	53,956.01			53,956.01
04260-30-600101	Respiratory Therapy-Salary Productive-Director	26,873.81			26,873.81
04260-30-600143	Respiratory Therapy-Salary - Productive-Therapist	282,735.01			282,735.01
04260-30-600243	Respiratory Therapy-Overtime-Therapist	4,912.39			4,912.39
04260-30-600301	Respiratory Therapy-Salary Non Productive-Director	7,151.35			7,151.35
04260-30-600343	Respiratory Therapy-Salary-Non-Productive-Therapist	39,937.39			39,937.39
04260-30-601100	Respiratory Therapy-Payroll Taxes	34,112.90			34,112.90
04260-31-610110	Vent-Supplies - Minor Equipmen	450.12			450.12
04260-31-620150	Vent-Supplements	4,637.37			4,637.37
04260-31-630100	Vent-Enteral Therapy	4,582.69			4,582.69
04260-31-630120	Vent-Medical Supplies	83,896.17			83,896.17
04260-31-630125	Vent-Incontinence	7,923.57			7,923.57
04260-31-630130	Vent-Over The Counter Drugs	387.74			387.74
04260-31-630170	Vent-Equipment Rental-Resident	2,595.59			2,595.59
04260-31-650100	Vent-Purchased Services	2,580.17			2,580.17
04260-32-610110	Other Ancillary Services-Supplies - Minor Equipmen	384.23			384.23
04260-32-620120	Other Ancillary Services-Transportation-Paratransi	2,294.97			2,294.97
04260-32-630100	Other Ancillary Services-Enteral Therapy	1,851.46			1,851.46
04260-32-630110	Other Ancillary Services-Lab	15,862.74			15,862.74
04260-32-630120	Other Ancillary Services-Medical Supplies	123,533.70			123,533.70
04260-32-630125	Other Ancillary Services-Incontinence	19,550.40			19,550.40
04260-32-630130	Other Ancillary Services-Over The Counter Drugs	6,345.15			6,345.15
04260-32-630140	Other Ancillary Services-Prescription Drugs	235,669.23		6,940.00	242,609.23
04260-32-630150	Other Ancillary Services-Oxygen	25,888.02			25,888.02
04260-32-630160	Other Ancillary Services-Diagnostic Services	8,995.26			8,995.26
04260-32-630170	Other Ancillary Services-Equipment Rental-Resident	41,261.64			41,261.64
04260-32-650100	Other Ancillary Services-Purchased Services	6,758.70		(519.00)	6,239.70
04260-34-600101	Dietary-Salary Productive-Director	16,775.00			16,775.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-34-600113	Dietary-Salary Productive-Aide	159,686.85			159,686.85
04260-34-600135	Dietary-Salary - Productive-Cook	54,599.47			54,599.47
04260-34-600139	Dietary-Salary - Productive-Dietitian	12,528.00			12,528.00
04260-34-600213	Dietary-Overtime-Aide	1,025.58			1,025.58
04260-34-600235	Dietary-Overtime-Cook	1,482.97			1,482.97
04260-34-600313	Dietary-Salary Non Productive-Aide	22,085.23			22,085.23
04260-34-600335	Dietary-Salary-Non-Productive-Cook	4,711.87			4,711.87
04260-34-600339	Dietary-Salary-Non-Productive-Dietitian	648.00			648.00
04260-34-601100	Dietary-Payroll Taxes	26,165.08			26,165.08
04260-34-610100	Dietary-Supplies - Office	123.88			123.88
04260-34-610105	Dietary-Supplies - Dept. Specific	8,914.24			8,914.24
04260-34-610110	Dietary-Supplies - Minor Equipment	78.27			78.27
04260-34-610240	Dietary - Equipment Rental	32.13			32.13
04260-34-620140	Dietary-Food	123,832.42			123,832.42
04260-34-620142	Food - Dairy	18,514.65			18,514.65
04260-34-620144	Food - Bakery	604.65			604.65
04260-34-620150	Dietary-Supplements	13,104.54			13,104.54
04260-34-640250	Dietary-Chemicals	3,616.71			3,616.71
04260-34-650100	Dietary-Purchased Services	15,295.38			15,295.38
04260-36-650100	Laundry-Purchased Services	50,162.98			50,162.98
04260-38-600101	Housekeeping-Salary Productive-Director	1,142.00			1,142.00
04260-38-610105	Housekeeping-Supplies - Dept. Specific	8,779.88			8,779.88
04260-38-650100	Housekeeping-Purchased Services	188,511.37			188,511.37
04260-40-600101	Maintenance-Salary Productive-Director	37,170.33			37,170.33
04260-40-600137	Maintenance-Salary - Productive-Technician	18,977.12			18,977.12
04260-40-600201	Maintenance-Overtime-Director	2,842.56			2,842.56
04260-40-600237	Maintenance-Overtime-Technician	1,118.45			1,118.45
04260-40-600301	Maintenance-Salary Non Productive-Director	6,648.00			6,648.00
04260-40-600337	Maintenance-Salary-Non-Productive-Technician	3,859.58			3,859.58
04260-40-601100	Maintenance-Payroll Taxes	5,393.95			5,393.95
04260-40-610105	Maintenance - Supplies - Dept Specific	4,990.02			4,990.02
04260-40-610220	Maintenance-Licenses & Certifications	480.00			480.00
04260-40-610240	Maintenance-Equipment Rental	4,053.83			4,053.83
04260-40-640130	Maintenance-Ground Maintenance	5,393.50			5,393.50
04260-40-640140	Maintenance-Trash Removal	12,937.26			12,937.26
04260-40-640160	Maintenance-Exterminating	1,159.20			1,159.20
04260-40-640200	Maintenance-Repairs & Maintenance-Building	5,957.87			5,957.87
04260-40-640210	Maintenance-Repairs & Maintenance-Dietary	870.40			870.40
04260-40-640220	Maintenance-Repairs & Maintenance-Laundry	1,483.58			1,483.58
04260-40-640230	Maintenance-Repairs & Maintenance-Medical	3,461.03			3,461.03
04260-40-640240	Maintenance-Repairs & Maintenance-Plumbing	503.57			503.57
04260-40-650100	Maintenance-Purchased Services	16,000.13			16,000.13
04260-42-640100	Utilities-Electricity	88,283.85			88,283.85
04260-42-640110	Utilities-Gas/Oil	25,338.17			25,338.17
04260-42-640120	Utilities-Water/Sewer	44,369.03			44,369.03
04260-44-600101	Administration-Salary Productive-Director	17,394.21			17,394.21
04260-44-600129	Administration-Salary Productive-Clerical Staff	3,970.62		(7,324.99)	(3,354.37)
04260-44-600131	Administration-Salary - Productive-Payroll Special	109,486.54			109,486.54
04260-44-600145	Administration-Salary Productive-Administrator	104,633.62			104,633.62
04260-44-600147	Administration-Salary Productive-Asst Admin	727.24		7,324.99	8,052.23
04260-44-600149	Administration-Salary Productive-Bus Off Clerk/Mgr	1,346.15			1,346.15
04260-44-600231	Administration-Overtime-Payroll Specialist	755.60			755.60
04260-44-600247	Administration-Overtime-Asst Admin	24.75			24.75
04260-44-600329	Administration-Salary Non Productive-Clerical Staf	171.60			171.60
04260-44-600331	Administration-Salary-Non Prod Payroll Specialist	14,127.05			14,127.05
04260-44-600345	Administration-Salary-Non Productive-Administrator	750.00			750.00
04260-44-601100	Administration-Payroll Taxes	20,122.56			20,122.56
04260-44-602100	Administration-Workers Comp	28,753.00			28,753.00
04260-44-603100	Administration-Health Insurance	11,871.00			11,871.00
04260-44-605100	Administration-Employee Relations	351.93			351.93
04260-44-606110	Administration-Pre-Employment Testing	4,004.00			4,004.00
04260-44-607120	Administration-Training/Inservices	4,000.00			4,000.00
04260-44-608110	Administration-Travel Allowance	9,626.56			9,626.56
04260-44-610100	Administration-Supplies - Office	15,803.34		1,707.88	17,511.22
04260-44-610105	Administration-Supplies - Dept. Specific	9,814.06			9,814.06

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-44-610110	Administration-Supplies - Minor Equipment	829.72			829.72
04260-44-610120	Administration-Postage	2,058.77			2,058.77
04260-44-610130	Administration-Telephone	7,822.30			7,822.30
04260-44-610135	Administration - Cable TV/Internet	9,624.94			9,624.94
04260-44-610140	Administration-Payroll Services	3,753.67			3,753.67
04260-44-610150	Administration-Accounting/Auditing	28,958.97			28,958.97
04260-44-610160	Administration-Legal	28,116.50			28,116.50
04260-44-610165	Administration-AR Attorney Fees	22,978.16			22,978.16
04260-44-610170	Administration-Bank Service Charges	2,292.31			2,292.31
04260-44-610180	Administration-Books/Dues/Subs/Meetings	8,634.11		(4,581.00)	4,053.11
04260-44-610190	Administration-Insurance - Business	370,903.90		(275,864.04)	95,039.86
04260-44-610210	Administration-Computer Maintenance	49,129.01			49,129.01
04260-44-610220	Administration-Licenses & Certifications	10,718.00			10,718.00
04260-44-610230	Administration-Fines/Penalties/Settlements	46.13			46.13
04260-44-610240	Administration-Equipment Rental	101.36			101.36
04260-44-650100	Administration - Purchase Services	3,380.22		(1,188.88)	2,191.34
04260-44-650160	Administration-Consulting	222.85			222.85
04260-99-660100	Other Expenses-Bad Debt	175,449.77			175,449.77
04260-99-670100	Other Expenses-Management Fees	293,000.00			293,000.00
04260-99-680100	Bed Tax Assessment	486,768.01			486,768.01
04260-99-700100	Other Expenses-Rent	151,215.63		(70,744.95)	80,470.68
04260-99-720010	Other Expenses	625.00			625.00
Marcum 101	Vent Unit Medicaid R&B Revenue	0.00		(2,467,073.46)	(2,467,073.46)
Marcum 102	Vent Unit Medicare R&B Revenue	0.00		(108,455.37)	(108,455.37)
Marcum 103	Vent Unit Private/Other R&B Revenue	0.00		(75,158.70)	(75,158.70)
Marcum 104	Dental Services	0.00		3,720.00	3,720.00
Marcum 105	Clinical Reimbursement Consulting	0.00		1,600.00	1,600.00
Marcum 106	Workers Comp Insurance	0.00		253,811.45	253,811.45
Marcum 107	Property Insurance	0.00		22,052.59	22,052.59
Marcum 108	Various Licenses and Subscriptions	0.00		4,581.00	4,581.00
Marcum 109	Real Estate Taxes	0.00		70,744.95	70,744.95
Total		0.00		0.00	
Net (Income) Loss		0.00		0.00	0.00

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
Group : [10-A]	Salaries and Wages				
Subgroup : [2.15]	Administrators - Salary %				
04260-44-600145	Administration-Salary Productive-Administrator	104,633.62		0.00	104,633.62
04260-44-600345	Administration-Salary-Non Productive-Administrator	750.00		0.00	750.00
Subtotal [2.15] Administrators - Salary %		105,383.62		0.00	105,383.62
Subgroup : [3.15]	Assistant Administrator - Salary %				
04260-44-600147	Administration-Salary Productive-Assst Admin	727.24		7,324.99	8,052.23
			RJE - 2	7,324.99	
04260-44-600247	Administration-Overtime-Assst Admin	24.75		0.00	24.75
Subtotal [3.15] Assistant Administrator - Salary %		751.99		7,324.99	8,076.98
Subgroup : [4.19]	Other Administrative Salaries - Salary %				
04260-14-600101	Human Resources-Salary Productive-Director	30,842.97		0.00	30,842.97
04260-14-600201	Human Resources-Overtime-Director	2,699.96		0.00	2,699.96
04260-14-600301	Human Resources-Salary Non Productive-Director	7,404.29		0.00	7,404.29
04260-44-600101	Administration-Salary Productive-Director	17,394.21		0.00	17,394.21
04260-44-600129	Administration-Salary Productive-Clerical Staff	3,970.62		(7,324.99)	(3,354.37)
			RJE - 2	(7,324.99)	
04260-44-600131	Administration-Salary - Productive-Payroll Special	109,486.54		0.00	109,486.54
04260-44-600149	Administration-Salary Productive-Bus Off Clerk/Mgr	1,346.15		0.00	1,346.15
04260-44-600231	Administration-Overtime-Payroll Specialist	755.60		0.00	755.60
04260-44-600329	Administration-Salary Non Productive-Clerical Staf	171.60		0.00	171.60
04260-44-600331	Administration-Salary-Non Prod Payroll Specialist	14,127.05		0.00	14,127.05
Subtotal [4.19] Other Administrative Salaries - Salary %		188,198.99		(7,324.99)	180,874.00
Subgroup : [4.43]	Other Administrative - Patient Days				
04260-18-600101	Medical Records-Salary Productive-Director	7,346.24		0.00	7,346.24
04260-18-600301	Medical Records-Salary Non Productive-Director	834.80		0.00	834.80
Subtotal [4.43] Other Administrative - Patient Days		8,181.04		0.00	8,181.04
Subgroup : [5C.5]	Dietary Workers - Meals				
04260-34-600101	Dietary-Salary Productive-Director	16,775.00		0.00	16,775.00
04260-34-600113	Dietary-Salary Productive-Aide	159,686.85		0.00	159,686.85
04260-34-600135	Dietary-Salary - Productive-Cook	54,599.47		0.00	54,599.47
04260-34-600139	Dietary-Salary - Productive-Dietitian	12,528.00		0.00	12,528.00
04260-34-600213	Dietary-Overtime-Aide	1,025.58		0.00	1,025.58
04260-34-600235	Dietary-Overtime-Cook	1,482.97		0.00	1,482.97
04260-34-600313	Dietary-Salary Non Productive-Aide	22,085.23		0.00	22,085.23
04260-34-600335	Dietary-Salary-Non-Productive-Cook	4,711.87		0.00	4,711.87
04260-34-600339	Dietary-Salary-Non-Productive-Dietitian	648.00		0.00	648.00
Subtotal [5C.5] Dietary Workers - Meals		273,542.97		0.00	273,542.97
Subgroup : [7A.2]	Other Maintenance Workers - Sqft				
04260-40-600101	Maintenance-Salary Productive-Director	37,170.33		0.00	37,170.33
04260-40-600137	Maintenance-Salary - Productive-Technician	18,977.12		0.00	18,977.12
04260-40-600201	Maintenance-Overtime-Director	2,842.56		0.00	2,842.56
04260-40-600237	Maintenance-Overtime-Technician	1,118.45		0.00	1,118.45
04260-40-600301	Maintenance-Salary Non Productive-Director	6,648.00		0.00	6,648.00
04260-40-600337	Maintenance-Salary-Non-Productive-Technician	3,859.58		0.00	3,859.58
Subtotal [7A.2] Other Maintenance Workers - Sqft		70,616.04		0.00	70,616.04
Subgroup : [12A.10]	Director of Nurses/Assistant Director - Salary %				
04260-12-600101	Nursing Administration-Salary Productive-Director	85,641.25		0.00	85,641.25
04260-12-600103	Nursing Admin-Salary Productive-Assistant Dir	38,967.89		0.00	38,967.89
04260-12-600301	Nursing Administration-Salary Non Productive-Direc	4,453.86		0.00	4,453.86
04260-12-600303	Nursing Admin-Salary Non Productive-Assis Dir	1,335.31		0.00	1,335.31
Subtotal [12A.10] Director of Nurses/Assistant Director - Salary %		130,398.31		0.00	130,398.31
Subgroup : [12B1.01]	RNs - Direct Care - Direct				
04260-10-600105	Nursing-Salary Productive - Supervisor	106,367.31		0.00	106,367.31
04260-10-600107	Nursing-Salary Productive-Unit Manager	23,956.51		0.00	23,956.51
04260-10-600109	Nursing-Salary Productive-RN	705,246.54		0.00	705,246.54
04260-10-600205	Nursing-Overtime-Supervisor	4,372.84		0.00	4,372.84
04260-10-600207	Nursing-Overtime-Unit Manager	118.12		0.00	118.12
04260-10-600209	Nursing-Overtime-RN	35,491.58		0.00	35,491.58
04260-10-600305	Nursing-Salary Non-Productive-Supervisor	15,771.03		0.00	15,771.03
04260-10-600307	Nursing-Salary Non Productive-Unit Manager	2,811.05		0.00	2,811.05

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-10-600309	Nursing-Salary Non Productive-RN	56,199.80		0.00	56,199.80
Subtotal [12B1.10] RNs - Direct Care - Direct		950,334.78		0.00	950,334.78
Subgroup : [12B2.10]	RNs - Administrative - Salary %				
04260-12-600119	Nursing Administration-Salary Productive-Assessmen	75,263.03		0.00	75,263.03
04260-12-600123	Nursing Administration-Salary-Productive-Staff Dev	63,533.06		0.00	63,533.06
04260-12-600179	Nursing Admin-Sal Prod Reg Allocation	87,142.77		0.00	87,142.77
04260-12-600223	Overtime-Staff Development	97.97		0.00	97.97
04260-12-600319	Nursing Administration-Salary Non Productive-Asses	9,676.10		0.00	9,676.10
04260-12-600323	Nursing Administration-Salary Non Productive-Nursi	14,155.00		0.00	14,155.00
04260-12-600379	Nursing Admin-Sal Non Prod Regional Allocation	769.23		0.00	769.23
Subtotal [12B2.10] RNs - Administrative - Salary %		250,637.16		0.00	250,637.16
Subgroup : [12C1.10]	LPNs - Direct Care - Direct				
04260-10-600111	Nursing-Salary Productive-LPN	606,161.40		0.00	606,161.40
04260-10-600211	Nursing-Overtime-LPN	24,545.20		0.00	24,545.20
04260-10-600311	Nursing-Salary Non Productive-LPN	75,922.90		0.00	75,922.90
Subtotal [12C1.10] LPNs - Direct Care - Direct		706,629.50		0.00	706,629.50
Subgroup : [12D.10]	Aides and Attendants - Direct				
04260-10-600113	Nursing-Salary Productive-Aide	823,976.93		0.00	823,976.93
04260-10-600213	Nursing-Overtime-Aide	21,473.38		0.00	21,473.38
04260-10-600313	Nursing-Salary Non Productive-Aide	117,020.33		0.00	117,020.33
Subtotal [12D.10] Aides and Attendants - Direct		962,470.64		0.00	962,470.64
Subgroup : [12H.43]	Recreation Workers - Direct				
04260-22-600101	Activities-Salary Productive-Director	30,383.55		0.00	30,383.55
04260-22-600113	Activities-Salary Productive-Aide	40,059.37		0.00	40,059.37
04260-22-600201	Activities-Overtime-Director	1,127.21		0.00	1,127.21
04260-22-600213	Activities-Overtime-Aide	509.84		0.00	509.84
04260-22-600301	Activities-Salary Non Productive-Director	4,683.32		0.00	4,683.32
04260-22-600313	Activities-Salary Non Productive-Aide	6,971.03		0.00	6,971.03
Subtotal [12H.43] Recreation Workers - Direct		83,734.32		0.00	83,734.32
Subgroup : [12M.33]	Social Workers/Case Management - Direct				
04260-20-600101	Social Services-Salary Productive-Director	41,478.35		0.00	41,478.35
04260-20-600201	Social Services-Overtime-Director	342.00		0.00	342.00
04260-20-600301	Social Services-Salary Non Productive-Director	5,351.77		0.00	5,351.77
Subtotal [12M.33] Social Workers/Case Management - Direct		47,172.12		0.00	47,172.12
Subgroup : [12O.22]	Other - Vent				
04260-30-600101	Respiratory Therapy-Salary Productive-Director	26,873.81		0.00	26,873.81
04260-30-600143	Respiratory Therapy-Salary - Productive-Therapist	282,735.01		0.00	282,735.01
04260-30-600243	Respiratory Therapy-Overtime-Therapist	4,912.39		0.00	4,912.39
04260-30-600301	Respiratory Therapy-Salary Non Productive-Director	7,151.35		0.00	7,151.35
04260-30-600343	Respiratory Therapy-Salary-Non-Productive-Therapis	39,937.39		0.00	39,937.39
Subtotal [12O.22] Other - Vent		361,609.95		0.00	361,609.95
Subgroup : [12O.25]	Other - Accum Costs				
04260-12-600127	Nursing Administration-Salary Productive-Central S	24,315.66		0.00	24,315.66
04260-12-600129	Nursing Administration-Salary Productive-Clerical	3,812.44		0.00	3,812.44
04260-12-600227	Nursing Administration-Overtime-Central Supply Cle	2.69		0.00	2.69
04260-12-600229	Nursing Administration-Overtime-Clerical Staff	65.32		0.00	65.32
04260-12-600327	Nursing Administration-Salary Non Productive-Centr	6,010.90		0.00	6,010.90
04260-12-600329	Nursing Administration-Salary Non Productive-Cleri	522.48		0.00	522.48
04260-16-600101	Admissions-Salary Productive-Director	39,632.75		0.00	39,632.75
04260-16-600201	Admissions-Overtime-Director	1,534.81		0.00	1,534.81
04260-16-600301	Admissions-Salary Non Productive-Director	7,275.90		0.00	7,275.90
Subtotal [12O.25] Other - Accum Costs		83,172.95		0.00	83,172.95
Total [10-A] Salaries and Wages		4,222,834.38		0.00	4,222,834.38
Group : [13-B]	Professional Fees				
Subgroup : [2.22]	Dentist - Patient Days				
Marcum 104	Dental Services	0.00	RJE - 4	3,720.00	3,720.00
Subtotal [2.22] Dentist - Patient Days		0.00		3,720.00	3,720.00
Subgroup : [5A.07]	PT - Resident Care - PT Treatments				
04260-24-600101	Physical Therapy-Salary Productive-Director	27,165.00		0.00	27,165.00

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-24-600113	Physical Therapy-Salary Productive-Aide	4,247.08		0.00	4,247.08
04260-24-650100	Physical Therapy-Purchased Services	254,150.17		0.00	254,150.17
Subtotal [5A.07] PT - Resident Care - PT Treatments		285,562.25		0.00	285,562.25
Subgroup : [8A.10] Medical Director - Direct					
04260-10-650180	Medical Director-Nursing-	89,696.30		0.00	89,696.30
Subtotal [8A.10] Medical Director - Direct		89,696.30		0.00	89,696.30
Subgroup : [9A.08] ST - Resident Care - ST Treatments					
04260-28-650100	Speech Therapy-Purchased Services	53,956.01		0.00	53,956.01
Subtotal [9A.08] ST - Resident Care - ST Treatments		53,956.01		0.00	53,956.01
Subgroup : [10B.10] OT - Resident Care - OT Treatments					
04260-26-650100	Occupational Therapy-Purchased Services	248,180.13		0.00	248,180.13
Subtotal [10B.10] OT - Resident Care - OT Treatments		248,180.13		0.00	248,180.13
Subgroup : [11A1] RN's - Direct Care - Direct					
04260-10-650160	Nursing-Consulting Fees	23,875.00		0.00	23,875.00
Subtotal [11A1] RN's - Direct Care - Direct		23,875.00		0.00	23,875.00
Subgroup : [11A2] RN's - Administrative - Salary %					
04260-12-650100	Nursing Administration-Purchased Services	126.25		0.00	126.25
Subtotal [11A2] RN's - Administrative - Salary %		126.25		0.00	126.25
Total [13-B] Professional Fees		701,395.94		3,720.00	705,115.94
Group : [15] Expenditures Other than Salaries					
Subgroup : [1A1.15] Workmen's Compensation - Salary %					
04260-44-602100	Administration-Workers Comp	28,753.00		0.00	28,753.00
Marcum 106	Workers Comp Insurance	0.00		253,811.45	253,811.45
Subtotal [1A1.15] Workmen's Compensation - Salary %		28,753.00	RJE - 4	253,811.45	282,564.45
Subgroup : [1A4.15] Social Security (FICA) - Salary %					
04260-10-601100	Nursing-Payroll Taxes	254,951.08		0.00	254,951.08
04260-12-601100	Nursing Admin-Payroll Taxes	32,003.54		0.00	32,003.54
04260-14-601100	Human Resources-Payroll Taxes	3,337.38		0.00	3,337.38
04260-16-601100	Admissions-Payroll Taxes	4,403.39		0.00	4,403.39
04260-18-601100	Medical Records-Payroll Taxes	800.13		0.00	800.13
04260-20-601100	Social Services-Payroll Taxes	3,958.43		0.00	3,958.43
04260-22-601100	Activities-Payroll Taxes	7,006.73		0.00	7,006.73
04260-24-601100	Physical Therapy-Payroll Taxes	533.01		0.00	533.01
04260-30-601100	Respiratory Therapy-Payroll Taxes	34,112.90		0.00	34,112.90
04260-34-601100	Dietary-Payroll Taxes	26,165.08		0.00	26,165.08
04260-40-601100	Maintenance-Payroll Taxes	5,393.95		0.00	5,393.95
04260-44-601100	Administration-Payroll Taxes	20,122.56		0.00	20,122.56
Subtotal [1A4.15] Social Security (FICA) - Salary %		392,788.18		0.00	392,788.18
Subgroup : [1A5.15] Health Insurance - Salary %					
04260-10-603100	Nursing-Health Insurance	291,408.03		0.00	291,408.03
04260-44-603100	Administration-Health Insurance	11,871.00		0.00	11,871.00
Subtotal [1A5.15] Health Insurance - Salary %		303,279.03		0.00	303,279.03
Subgroup : [1A9.15] Other - Salary %					
04260-10-605100	Nursing-Employee Relations	68.66		0.00	68.66
04260-44-605100	Administration-Employee Relations	351.93		0.00	351.93
Subtotal [1A9.15] Other - Salary %		420.59		0.00	420.59
Subgroup : [1C.42] Bad Debts - Accum Costs					
04260-99-660100	Other Expenses-Bad Debt	175,449.77		0.00	175,449.77
Subtotal [1C.42] Bad Debts - Accum Costs		175,449.77		0.00	175,449.77
Subgroup : [1D.42] Accounting and Auditing - Accum Costs					
04260-44-610150	Administration-Accounting/Auditing	28,958.97		0.00	28,958.97
Subtotal [1D.42] Accounting and Auditing - Accum Costs		28,958.97		0.00	28,958.97
Subgroup : [1E.42] Legal - Accum Costs					
04260-44-610160	Administration-Legal	28,116.50		0.00	28,116.50
04260-44-610165	Administration-AR Attorney Fees	22,978.16		0.00	22,978.16
Subtotal [1E.42] Legal - Accum Costs		51,094.66		0.00	51,094.66

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
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 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
Subgroup : [1G.42]	Office Supplies - Accum Costs				
04260-44-610100	Administration-Supplies - Office	15,803.34		1,707.88	17,511.22
			RJE - 3	1,188.88	
			RJE - 4	519.00	
04260-44-610105	Administration-Supplies - Dept. Specific	9,814.06		0.00	9,814.06
04260-44-610110	Administration-Supplies - Minor Equipment	829.72		0.00	829.72
Subtotal [1G.42] Office Supplies - Accum Costs		26,447.12		1,707.88	28,155.00
Subgroup : [1H1.42]	Telephone and Telegraph - Accum Costs				
04260-44-610130	Administration-Telephone	7,822.30		0.00	7,822.30
Subtotal [1H1.42] Telephone and Telegraph - Accum Costs		7,822.30		0.00	7,822.30
Subgroup : [1K3.03]	Resident Day User Fee - Patient Days				
04260-99-680100	Bed Tax Assessment	486,768.01		0.00	486,768.01
Subtotal [1K3.03] Resident Day User Fee - Patient Days		486,768.01		0.00	486,768.01
Total [15] Expenditures Other than Salaries		1,501,781.63		255,519.33	1,757,300.96
Group : [16]	Expenditures Other than Salaries (cont'd) - Adm. and General				
Subgroup : [4.42]	Employee Travel - Accum Costs				
04260-10-608110	Nursing-Travel Allowance	1,073.13		0.00	1,073.13
04260-12-608110	Nursing Administration-Travel Allowance	4,000.00		0.00	4,000.00
04260-44-608110	Administration-Travel Allowance	9,626.56		0.00	9,626.56
Subtotal [4.42] Employee Travel - Accum Costs		14,699.69		0.00	14,699.69
Subgroup : [5.33]	Education Expense - Capacity				
04260-10-607120	Nursing-Training/Inservices	1,705.00		0.00	1,705.00
04260-44-607120	Administration-Training/Inservices	4,000.00		0.00	4,000.00
Subtotal [5.33] Education Expense - Capacity		5,705.00		0.00	5,705.00
Subgroup : [M3.42]	Advertising Other - Accum Costs				
04260-16-610260	Admissions - Marketing/Advertising	14,385.50		0.00	14,385.50
Subtotal [M3.42] Advertising Other - Accum Costs		14,385.50		0.00	14,385.50
Subgroup : [M5.34]	Medical Records - Accum Costs				
04260-18-610105	Medical Records-Supplies - Dept. Specific	195.00		0.00	195.00
04260-18-650100	Medical Records-Purchased Services	521.13		0.00	521.13
Subtotal [M5.34] Medical Records - Accum Costs		716.13		0.00	716.13
Subgroup : [M7.42]	Postage - Accum Costs				
04260-44-610120	Administration-Postage	2,058.77		0.00	2,058.77
Subtotal [M7.42] Postage - Accum Costs		2,058.77		0.00	2,058.77
Subgroup : [M8.33]	Dues and Membership Fees to Professional Associations - Capacity				
04260-44-610180	Administration-Books/Dues/Subs/Meetings	8,634.11		(4,581.00)	4,053.11
			RJE - 4	(4,581.00)	
Subtotal [M8.33] Dues and Membership Fees to Professional Associations - Capac		8,634.11		(4,581.00)	4,053.11
Subgroup : [M11.42]	Services Provided by Contract - Accum Costs				
04260-44-610140	Administration-Payroll Services	3,753.67		0.00	3,753.67
04260-44-650100	Administration - Purchase Services	3,380.22		(1,188.88)	2,191.34
			RJE - 3	(1,188.88)	
Subtotal [M11.42] Services Provided by Contract - Accum Costs		7,133.89		(1,188.88)	5,945.01
Subgroup : [M12.02]	Administrative Management Services - Patient days				
04260-99-670100	Other Expenses-Management Fees	293,000.00		0.00	293,000.00
Subtotal [M12.02] Administrative Management Services - Patient days		293,000.00		0.00	293,000.00
Subgroup : [M13.25]	Other - Accum Costs				
04260-44-606110	Administration-Pre-Employment Testing	4,004.00		0.00	4,004.00
04260-44-610170	Administration-Bank Service Charges	2,292.31		0.00	2,292.31
04260-44-610210	Administration-Computer Maintenance	49,129.01		0.00	49,129.01
04260-44-610220	Administration-Licenses & Certifications	10,718.00		0.00	10,718.00
04260-44-610230	Administration-Fines/Penalties/Settlements	46.13		0.00	46.13
04260-44-610240	Administration-Equipment Rental	101.36		0.00	101.36
04260-44-650160	Administration-Consulting	222.85		0.00	222.85
04260-99-720010	Other Expenses	625.00		0.00	625.00
Marcum 105	Clinical Reimbursement Consulting	0.00		1,600.00	1,600.00
			RJE - 4	1,600.00	

Client: **Priority Care**
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 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		<u>9/30/2016</u>			<u>9/30/2016</u>
Marcum 108	Various Licenses and Subscriptions	0.00		4,581.00	4,581.00
			RJE - 4	4,581.00	
Subtotal [M13.25] Other - Accum Costs		<u>67,138.66</u>		<u>6,181.00</u>	<u>73,319.66</u>
Total [16] Expenditures Other than Salaries (cont'd) - Admin. and General		<u>413,471.75</u>		<u>411.12</u>	<u>413,882.87</u>
Group : [18]	Dietary Basis for Allocation of Costs				
Subgroup : [2A1.03]	Raw Food - Meals				
04260-34-620140	Dietary-Food	123,832.42		0.00	123,832.42
04260-34-620142	Food - Dairy	18,514.65		0.00	18,514.65
04260-34-620144	Food - Bakery	604.65		0.00	604.65
04260-34-620150	Dietary-Supplements	13,104.54		0.00	13,104.54
Subtotal [2A1.03] Raw Food - Meals		<u>156,056.26</u>		<u>0.00</u>	<u>156,056.26</u>
Subgroup : [2A2.03]	Non-Food Supplies - Meals				
04260-34-610100	Dietary-Supplies - Office	123.88		0.00	123.88
04260-34-610105	Dietary-Supplies - Dept. Specific	8,914.24		0.00	8,914.24
04260-34-640250	Dietary-Chemicals	3,616.71		0.00	3,616.71
Subtotal [2A2.03] Non-Food Supplies - Meals		<u>12,654.83</u>		<u>0.00</u>	<u>12,654.83</u>
Subgroup : [2B.03]	Purchased Services - Meals				
04260-34-650100	Dietary-Purchased Services	15,295.38		0.00	15,295.38
Subtotal [2B.03] Purchased Services - Meals		<u>15,295.38</u>		<u>0.00</u>	<u>15,295.38</u>
Subgroup : [2D.03]	Other - Meals				
04260-34-610110	Dietary-Supplies - Minor Equipment	78.27		0.00	78.27
04260-34-610240	Dietary - Equipment Rental	32.13		0.00	32.13
Subtotal [2D.03] Other - Meals		<u>110.40</u>		<u>0.00</u>	<u>110.40</u>
Total [18] Dietary Basis for Allocation of Costs		<u>184,116.87</u>		<u>0.00</u>	<u>184,116.87</u>
Group : [19]	Laundry-Basis for Allocation of Costs				
Subgroup : [3B.05]	Purchased Services - LBS of Laundry				
04260-36-650100	Laundry-Purchased Services	50,162.98		0.00	50,162.98
Subtotal [3B.05] Purchased Services - LBS of Laundry		<u>50,162.98</u>		<u>0.00</u>	<u>50,162.98</u>
Total [19] Laundry-Basis for Allocation of Costs		<u>50,162.98</u>		<u>0.00</u>	<u>50,162.98</u>
Group : [20]	Housekeeping and Resident Care Basis for Allocation of Costs				
Subgroup : [4A1.02]	In-House Care Supplies - Sqft				
04260-38-610105	Housekeeping-Supplies - Dept. Specific	8,779.88		0.00	8,779.88
Subtotal [4A1.02] In-House Care Supplies - Sqft		<u>8,779.88</u>		<u>0.00</u>	<u>8,779.88</u>
Subgroup : [4B.02]	Purchased Services - Sqft				
04260-38-600101	Housekeeping-Salary Productive-Director	1,142.00		0.00	1,142.00
04260-38-650100	Housekeeping-Purchased Services	188,511.37		0.00	188,511.37
Subtotal [4B.02] Purchased Services - Sqft		<u>189,653.37</u>		<u>0.00</u>	<u>189,653.37</u>
Subgroup : [5A.03]	Purchased From - Patient Days				
04260-32-630140	Other Ancillary Services-Prescription Drugs	235,669.23		6,940.00	242,609.23
			RJE - 4	6,940.00	
Subtotal [5A.03] Purchased From - Patient Days		<u>235,669.23</u>		<u>6,940.00</u>	<u>242,609.23</u>
Subgroup : [5B.03]	Medicine Cabinet Drugs - Patient Days				
04260-32-630130	Other Ancillary Services-Over The Counter Drugs	6,345.15		0.00	6,345.15
Subtotal [5B.03] Medicine Cabinet Drugs - Patient Days		<u>6,345.15</u>		<u>0.00</u>	<u>6,345.15</u>
Subgroup : [5C.03]	Medical Supplies - Patient Days				
04260-32-630120	Other Ancillary Services-Medical Supplies	123,533.70		0.00	123,533.70
04260-32-630125	Other Ancillary Services-Incontinence	19,550.40		0.00	19,550.40
Subtotal [5C.03] Medical Supplies - Patient Days		<u>143,084.10</u>		<u>0.00</u>	<u>143,084.10</u>
Subgroup : [5D.03]	Abulance/Limousine - Patient Days				
04260-32-620120	Other Ancillary Services-Transportation-Paratransi	2,294.97		0.00	2,294.97
Subtotal [5D.03] Abulance/Limousine - Patient Days		<u>2,294.97</u>		<u>0.00</u>	<u>2,294.97</u>
Subgroup : [5E2.03]	Oxygen - Other - Vent				
04260-32-630150	Other Ancillary Services-Oxygen	25,888.02		0.00	25,888.02
Subtotal [5E2.03] Oxygen - Other - Vent		<u>25,888.02</u>		<u>0.00</u>	<u>25,888.02</u>
Subgroup : [5F.03]	X-Ray and related radiology - Patient Days				
04260-32-630160	Other Ancillary Services-Diagnostic Services	8,995.26		0.00	8,995.26

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Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
Subtotal [5F.03] X-Ray and related radiology - Patient Days		<u>8,995.26</u>		<u>0.00</u>	<u>8,995.26</u>
Subgroup : [5H.03] Laboratory - Patient Days					
04260-32-630110	Other Ancillary Services-Lab	15,862.74		0.00	15,862.74
Subtotal [5H.03] Laboratory - Patient Days		<u>15,862.74</u>		<u>0.00</u>	<u>15,862.74</u>
Subgroup : [5I.03] Recreation - Patient Days					
04260-22-610100	Activities-Supplies - Office	214.23		0.00	214.23
04260-22-610105	Activities-Supplies - Dept. Specific	1,980.11		0.00	1,980.11
04260-22-620105	Activities-Entertainment	490.00		0.00	490.00
04260-22-620110	Activities-Special Events	3,500.27		0.00	3,500.27
04260-22-650100	Activities-Purchased Services	298.89		0.00	298.89
04260-44-610135	Administration - Cable TV/Internet	9,624.94		0.00	9,624.94
Subtotal [5I.03] Recreation - Patient Days		<u>16,108.44</u>		<u>0.00</u>	<u>16,108.44</u>
Subgroup : [5J.03] Other - Patient Days					
04260-20-620100	Social Services-Resident Items	189.00		0.00	189.00
04260-32-610110	Other Ancillary Services-Supplies - Minor Equipmen	384.23		0.00	384.23
04260-32-630100	Other Ancillary Services-Enteral Therapy	1,851.46		0.00	1,851.46
04260-32-630170	Other Ancillary Services-Equipment Rental-Resident	41,261.64		0.00	41,261.64
Subtotal [5J.03] Other - Patient Days		<u>43,686.33</u>		<u>0.00</u>	<u>43,686.33</u>
Subgroup : [5J.07] Other - PT Treatments					
04260-24-610105	Physical Therapy-Supplies - Dept. Specific	547.16		0.00	547.16
04260-24-610110	Physical Therapy-Supplies - Minor Equipment	126.02		0.00	126.02
Subtotal [5J.07] Other - PT Treatments		<u>673.18</u>		<u>0.00</u>	<u>673.18</u>
Subgroup : [5J.08] Other - ST Treatments					
04260-28-610105	Speech Therapy-Supplies - Dept. Specific	90.42		0.00	90.42
Subtotal [5J.08] Other - ST Treatments		<u>90.42</u>		<u>0.00</u>	<u>90.42</u>
Subgroup : [5J.15] Other - Salary %					
04260-10-610240	Nursing-Equipment Rental	1,601.00		0.00	1,601.00
Subtotal [5J.15] Other - Salary %		<u>1,601.00</u>		<u>0.00</u>	<u>1,601.00</u>
Subgroup : [5J.22] Other - Vent					
04260-10-650100	Nursing-Purchased Services	23,707.23		(12,260.00)	11,447.23
			RJE - 4	(12,260.00)	
04260-31-610110	Vent-Supplies - Minor Equipmen	450.12		0.00	450.12
04260-31-620150	Vent-Supplements	4,637.37		0.00	4,637.37
04260-31-630100	Vent-Enteral Therapy	4,582.69		0.00	4,582.69
04260-31-630120	Vent-Medical Supplies	83,896.17		0.00	83,896.17
04260-31-630125	Vent-Incontinence	7,923.57		0.00	7,923.57
04260-31-630130	Vent-Over The Counter Drugs	387.74		0.00	387.74
04260-31-630170	Vent-Equipment Rental-Resident	2,595.59		0.00	2,595.59
04260-31-650100	Vent-Purchased Services	2,580.17		0.00	2,580.17
04260-32-650100	Other Ancillary Services-Purchased Services	6,758.70		(519.00)	6,239.70
			RJE - 4	(519.00)	
Subtotal [5J.22] Other - Vent		<u>137,519.35</u>		<u>(12,779.00)</u>	<u>124,740.35</u>
Total [20] Housekeeping and Resident Care Basis for Allocation of Costs		<u>836,251.44</u>		<u>(5,839.00)</u>	<u>830,412.44</u>
Group : [22] Maintenance and Property					
Subgroup : [6A.02] Repairs and Maintenance - Sqft					
04260-40-610105	Maintainence - Supplies - Dept Specific	4,990.02		0.00	4,990.02
04260-40-610220	Maintenance-Licenses & Certifications	480.00		0.00	480.00
04260-40-640200	Maintenance-Repairs & Maintenance-Building	5,957.87		0.00	5,957.87
04260-40-640210	Maintenance-Repairs & Maintenance-Dietary	870.40		0.00	870.40
04260-40-640220	Maintenance-Repairs & Maintenance-Laundry	1,483.58		0.00	1,483.58
04260-40-640230	Maintenance-Repairs & Maintenance-Medical	3,461.03		0.00	3,461.03
04260-40-640240	Maintenance-Repairs & Maintenance-Plumbing	503.57		0.00	503.57
Subtotal [6A.02] Repairs and Maintenance - Sqft		<u>17,746.47</u>		<u>0.00</u>	<u>17,746.47</u>
Subgroup : [6B.33] Heat - Sqft					
04260-42-640110	Utilities-Gas/Oil	25,338.17		0.00	25,338.17
Subtotal [6B.33] Heat - Sqft		<u>25,338.17</u>		<u>0.00</u>	<u>25,338.17</u>
Subgroup : [6C.33] Light & Power - Sqft					
04260-42-640100	Utilities-Electricity	88,283.85		0.00	88,283.85
Subtotal [6C.33] Light & Power - Sqft		<u>88,283.85</u>		<u>0.00</u>	<u>88,283.85</u>

Client: *Priority Care*
 Engagement: *Other - Waterbury Gardens 2016 Medicaid Report*
 Period Ending: *9/30/2016*
 Trial Balance: *A.01 - TB*
 Workpaper: *A.02 - Grouped TB*

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
Subgroup : [6D.33]	Water - Sqft				
04260-42-640120	Utilities-Water/Sewer	44,369.03		0.00	44,369.03
Subtotal [6D.33] Water - Sqft		<u>44,369.03</u>		<u>0.00</u>	<u>44,369.03</u>
Subgroup : [6F.02]	Other - Sqft				
04260-40-610240	Maintenance-Equipment Rental	4,053.83		0.00	4,053.83
04260-40-640130	Maintenance-Ground Maintenance	5,393.50		0.00	5,393.50
04260-40-640140	Maintenance-Trash Removal	12,937.26		0.00	12,937.26
04260-40-640160	Maintenance-Exterminating	1,159.20		0.00	1,159.20
04260-40-650100	Maintenance-Purchased Services	16,000.13		0.00	16,000.13
Subtotal [6F.02] Other - Sqft		<u>39,543.92</u>		<u>0.00</u>	<u>39,543.92</u>
Subgroup : [9.33]	Rental Payments - Capacity				
04260-99-700100	Other Expenses-Rent	151,215.63		(70,744.95)	80,470.68
Subtotal [9.33] Rental Payments - Capacity		<u>151,215.63</u>	RJE - 5	<u>(70,744.95)</u>	<u>80,470.68</u>
Subgroup : [10B]	Real estate taxes paid by lessor - Capacity				
Marcum 109	Real Estate Taxes	0.00		70,744.95	70,744.95
Subtotal [10B] Real estate taxes paid by lessor - Capacity		<u>0.00</u>	RJE - 5	<u>70,744.95</u>	<u>70,744.95</u>
Total [22] Maintenance and Property		<u>366,497.07</u>		<u>0.00</u>	<u>366,497.07</u>
Group : [27]	Interest and Insurance				
Subgroup : [14A.45]	Insurance on Property - Capacity				
Marcum 107	Property Insurance	0.00		22,052.59	22,052.59
Subtotal [14A.45] Insurance on Property - Capacity		<u>0.00</u>	RJE - 4	<u>22,052.59</u>	<u>22,052.59</u>
Subgroup : [14C3.42]	Other - Accum Costs				
04260-44-610190	Administration-Insurance - Business	370,903.90		(275,864.04)	95,039.86
Subtotal [14C3.42] Other - Accum Costs		<u>370,903.90</u>	RJE - 4	<u>(275,864.04)</u>	<u>95,039.86</u>
Total [27] Interest and Insurance		<u>370,903.90</u>		<u>(253,811.45)</u>	<u>117,092.45</u>
Group : [30]	Statement of Revenue				
Subgroup : [11A.10]	Medicaid R&B SNF Only				
04260-00-501100	Room & Board-Medicaid	(6,564,061.94)		2,467,073.46	(4,096,988.48)
04260-00-501190	Room & Board -C/A-Medicaid	387,715.68	RJE - 1	2,467,073.46	387,715.68
04260-00-501993	Bedhold-Medicaid	(144,157.28)		0.00	(144,157.28)
Subtotal [11A.10] Medicaid R&B SNF Only		<u>(6,320,503.54)</u>		<u>2,467,073.46</u>	<u>(3,853,430.08)</u>
Subgroup : [11A.22]	Medicaid R&B VENT				
Marcum 101	Vent Unit Medicaid R&B Revenue	0.00		(2,467,073.46)	(2,467,073.46)
Subtotal [11A.22] Medicaid R&B VENT		<u>0.00</u>	RJE - 1	<u>(2,467,073.46)</u>	<u>(2,467,073.46)</u>
Subgroup : [13A.10]	Medicare R&B - SNF Only				
04260-00-502100	Room & Board-Medicare	(976,350.15)		108,455.37	(867,894.78)
04260-00-502190	Room & Board -C/A-Medicare	(570,371.52)	RJE - 1	108,455.37	(461,916.15)
Subtotal [13A.10] Medicare R&B - SNF Only		<u>(1,546,721.67)</u>		<u>108,455.37</u>	<u>(1,438,266.30)</u>
Subgroup : [13A.22]	Medicare R&B - VENT				
Marcum 102	Vent Unit Medicare R&B Revenue	0.00		(108,455.37)	(108,455.37)
Subtotal [13A.22] Medicare R&B - VENT		<u>0.00</u>	RJE - 1	<u>(108,455.37)</u>	<u>(108,455.37)</u>
Subgroup : [14A.10]	Private Pay R&B - SNF Only				
04260-00-503100	Room & Board-Private	(206,076.55)		0.00	(206,076.55)
04260-00-504100	Room & Board-Managed Care Levels	(326,390.12)		75,158.70	(251,231.42)
04260-00-504190	Room & Board -C/A-Managed Care Levels	(147,222.88)	RJE - 1	75,158.70	(72,064.18)
04260-00-508100	Room & Board-Hospice	(3,794.52)		0.00	(3,794.52)
04260-00-508190	Room & Board -C/A-Hospice	(2,205.48)		0.00	(2,205.48)
Subtotal [14A.10] Private Pay R&B - SNF Only		<u>(685,689.55)</u>		<u>75,158.70</u>	<u>(610,530.85)</u>

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
Subgroup : [I4A.22]	Private Pay R&B - VENT				
Marcum 103	Vent Unit Private/Other R&B Revenue	0.00		(75,158.70)	(75,158.70)
			RJE - 1	(75,158.70)	
Subtotal [I4A.22] Private Pay R&B - VENT		<u>0.00</u>		<u>(75,158.70)</u>	<u>(75,158.70)</u>
Subgroup : [I11A.10]	Prescription Drugs Medicare - Patient Days				
04260-00-502210	Pharmacy Rx-Medicare	(86,112.66)		0.00	(86,112.66)
Subtotal [I11A.10] Prescription Drugs Medicare - Patient Days		<u>(86,112.66)</u>		<u>0.00</u>	<u>(86,112.66)</u>
Subgroup : [I11C.10]	Prescription Drugs Non-Medicare - Patient Days				
04260-00-501210	Pharmacy Rx-Medicaid	(1,068.38)		0.00	(1,068.38)
04260-00-504210	Pharmacy Rx-Managed Care Levels	(38,572.44)		0.00	(38,572.44)
Subtotal [I11C.10] Prescription Drugs Non-Medicare - Patient Days		<u>(39,640.82)</u>		<u>0.00</u>	<u>(39,640.82)</u>
Subgroup : [I13A.10]	PT Medicare - PT Treatments				
04260-00-502270	P.T.-Medicare	(395,100.00)		0.00	(395,100.00)
04260-00-512270	P.T.-Medicare B	(271,178.78)		0.00	(271,178.78)
Subtotal [I13A.10] PT Medicare - PT Treatments		<u>(666,278.78)</u>		<u>0.00</u>	<u>(666,278.78)</u>
Subgroup : [I13C.10]	PT Non Medicare - PT Treatments				
04260-00-501270	P.T.-Medicaid	(165,596.22)		0.00	(165,596.22)
04260-00-503270	P.T.-Private	(450.00)		0.00	(450.00)
04260-00-504260	P.T.-Managed Care RUGS	(598.50)		0.00	(598.50)
04260-00-504270	P.T.-Managed Care Levels	(104,025.00)		0.00	(104,025.00)
Subtotal [I13C.10] PT Non Medicare - PT Treatments		<u>(270,669.72)</u>		<u>0.00</u>	<u>(270,669.72)</u>
Subgroup : [I14A.10]	ST Medicare - ST Treatments				
04260-00-502290	S.T.-Medicare	(99,200.00)		0.00	(99,200.00)
04260-00-512290	S.T.-Medicare	(24,000.00)		0.00	(24,000.00)
Subtotal [I14A.10] ST Medicare - ST Treatments		<u>(123,200.00)</u>		<u>0.00</u>	<u>(123,200.00)</u>
Subgroup : [I14C.10]	ST Other - ST Treatments				
04260-00-501290	S.T.-Medicaid	(31,700.00)		0.00	(31,700.00)
04260-00-503290	S.T.-Private	(1,100.00)		0.00	(1,100.00)
04260-00-504290	S.T.-Managed Care Levels	(13,400.06)		0.00	(13,400.06)
Subtotal [I14C.10] ST Other - ST Treatments		<u>(46,200.06)</u>		<u>0.00</u>	<u>(46,200.06)</u>
Subgroup : [I15A.10]	OT Medicare - OT Treatments				
04260-00-502280	O.T.-Medicare	(412,950.00)		0.00	(412,950.00)
04260-00-512280	O.T.-Medicare B	(222,003.44)		0.00	(222,003.44)
Subtotal [I15A.10] OT Medicare - OT Treatments		<u>(634,953.44)</u>		<u>0.00</u>	<u>(634,953.44)</u>
Subgroup : [I15C.10]	OT Non Medicare - OT Treatments				
04260-00-501280	O.T.-Medicaid	(175,346.56)		0.00	(175,346.56)
04260-00-503280	O.T.-Private	(2,550.00)		0.00	(2,550.00)
04260-00-504280	O.T.-Managed Care Levels	(102,075.00)		0.00	(102,075.00)
Subtotal [I15C.10] OT Non Medicare - OT Treatments		<u>(279,971.56)</u>		<u>0.00</u>	<u>(279,971.56)</u>
Subgroup : [I16A.10]	Other Medicare - Patient Days				
04260-00-502260	R.T.-Medicare	(514.50)		0.00	(514.50)
04260-00-502310	Lab-Medicare	(31,242.34)		0.00	(31,242.34)
04260-00-502320	Diagnostic Testing-Medicare	(4,524.16)		0.00	(4,524.16)
04260-00-502350	Enteral Feeding-Medicare	(9,258.62)		0.00	(9,258.62)
04260-00-502990	Ancillary C/A-Medicare	1,038,902.28		0.00	1,038,902.28
04260-00-512990	Ancillary C/A-Medicare B	303,180.97		0.00	303,180.97
Subtotal [I16A.10] Other Medicare - Patient Days		<u>1,296,543.63</u>		<u>0.00</u>	<u>1,296,543.63</u>
Subgroup : [I16B.10]	Other Non Medicare - Patient Days				
04260-00-501220	Pharmacy OTC-Medicaid	65.00		0.00	65.00
04260-00-501260	R.T.-Medicaid	(24,827.25)		0.00	(24,827.25)
04260-00-501310	Lab-Medicaid	791.00		0.00	791.00
04260-00-501350	Enteral Feeding-Medicaid	(1,781.31)		0.00	(1,781.31)
04260-00-501990	Ancillary C/A-Medicaid	399,464.94		0.00	399,464.94
04260-00-503300	Oxygen-Private	(530.25)		0.00	(530.25)
04260-00-504310	Lab-Managed Care Levels	(7,784.93)		0.00	(7,784.93)
04260-00-504320	Diagnostic Testing-Managed Care Levels	(1,300.36)		0.00	(1,300.36)
04260-00-504350	Enteral Feeding-Managed Care Levels	(4,344.85)		0.00	(4,344.85)
04260-00-504990	Ancillary C/A-Managed Care Levels	272,100.04		0.00	272,100.04
Subtotal [I16B.10] Other Non Medicare - Patient Days		<u>631,852.03</u>		<u>0.00</u>	<u>631,852.03</u>

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ 9/30/2016	JE Ref #	RJE	FINAL 9/30/2016
Subgroup : [IV5.22]	Interest - Patient Days				
04260-00-540100	Interest Income	(3.77)		0.00	(3.77)
Subtotal [IV5.22] Interest - Patient Days		(3.77)		0.00	(3.77)
Subgroup : [IV8.10]	Other - Patient Days				
04260-00-540137	Vendor Refunds	(400.00)		0.00	(400.00)
Subtotal [IV8.10] Other - Patient Days		(400.00)		0.00	(400.00)
Total [30] Statement of Revenue		(8,771,949.91)		0.00	(8,771,949.91)
Group : [31]	Assets				
Subgroup : [31.01]	Cash				
04260-00-100150	Cash-Operating-One	409,642.37		0.00	409,642.37
04260-00-100210	Cash-Payroll-Two	4,250.47		0.00	4,250.47
04260-00-100299	Cash-P/R Recon Clearing	209,778.12		0.00	209,778.12
04260-00-100400	Cash-Resident Trust	50,000.00		0.00	50,000.00
04260-00-100430	Cash-Tenant Security Deposits	7,980.00		0.00	7,980.00
Subtotal [31.01] Cash		681,650.96		0.00	681,650.96
Subgroup : [31.02]	Resident Account Receivable				
04260-00-110100	A/R-Resident Related	1,743,574.52		0.00	1,743,574.52
04260-00-110110	A/R-Deposit Clearing	363,802.88		0.00	363,802.88
04260-00-110210	A/R-Clearing	(185,299.76)		0.00	(185,299.76)
04260-00-110230	Refund Clearing	(5,568.00)		0.00	(5,568.00)
04260-00-110990	Reserve For Bad Debt	(174,951.52)		0.00	(174,951.52)
04260-00-112100	Other Receivable	86,906.01		0.00	86,906.01
Subtotal [31.02] Resident Account Receivable		1,828,464.13		0.00	1,828,464.13
Subgroup : [31.03]	Inventory				
04260-00-120100	Inventory	65,000.00		0.00	65,000.00
Subtotal [31.03] Inventory		65,000.00		0.00	65,000.00
Subgroup : [31.04]	Prepays				
04260-00-130100	Prepaid Expenses	124,107.53		0.00	124,107.53
04260-00-130120	Prepaid Insurance	194,285.60		0.00	194,285.60
Subtotal [31.04] Prepays		318,393.13		0.00	318,393.13
Subgroup : [31.06]	Fixed Assets				
04260-00-160130	PPE Building Improvement	18,486.03		0.00	18,486.03
Subtotal [31.06] Fixed Assets		18,486.03		0.00	18,486.03
Total [31] Assets		2,911,994.25		0.00	2,911,994.25
Group : [32]	Liabilities and Equity				
Subgroup : [32.01]	Accounts Payable				
04260-00-200100	Accounts Payable	(1,104,239.85)		0.00	(1,104,239.85)
Subtotal [32.01] Accounts Payable		(1,104,239.85)		0.00	(1,104,239.85)
Subgroup : [32.02]	Accrued Payroll				
04260-00-210100	Accrued Payroll	(130,561.77)		0.00	(130,561.77)
04260-00-210130	Accrued Benefits	(423,544.00)		0.00	(423,544.00)
04260-00-215100	P/R Withholding-Garnishment	(83.00)		0.00	(83.00)
04260-00-215110	P/R Withholding-Retirement Plan	(77,207.04)		0.00	(77,207.04)
04260-00-215120	P/R Withholding-Union Dues	(7,172.39)		0.00	(7,172.39)
04260-00-215130	P/R Withholding-Life & Disability	(20,591.75)		0.00	(20,591.75)
04260-00-215140	P/R Withholding-Other	(806.66)		0.00	(806.66)
Subtotal [32.02] Accrued Payroll		(659,966.61)		0.00	(659,966.61)
Subgroup : [32.03]	Accrued Payroll Taxes Payable				
04260-00-210110	Accrued Payroll Taxes	(10,456.56)		0.00	(10,456.56)
Subtotal [32.03] Accrued Payroll Taxes Payable		(10,456.56)		0.00	(10,456.56)
Subgroup : [32.05]	Accrued Expenses				
04260-00-200120	Accrued Expenses	(1,463,856.46)		0.00	(1,463,856.46)
04260-00-210200	Other Liability	(10,400.00)		0.00	(10,400.00)
04260-00-220100	Resident Trust Liability	(50,000.00)		0.00	(50,000.00)
Subtotal [32.05] Accrued Expenses		(1,524,256.46)		0.00	(1,524,256.46)
Subgroup : [32.06]	Other Long Term Liabilities				
04260-00-260000	Due To/From Opco Facilities	344,103.27		0.00	344,103.27

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **A.02 - Grouped TB**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
04260-00-260095	Due To/From Propco	444,656.42		0.00	444,656.42
04260-00-260096	Due To/From Priority Healthcare Group-NY	220.53		0.00	220.53
04260-00-260100	Due To/From Opco Consolidated	(943.15)		0.00	(943.15)
Subtotal [32.06]	Other Long Term Liabilities	<u>788,037.07</u>		<u>0.00</u>	<u>788,037.07</u>
Subgroup : [32.07]	Net Worth				
04260-00-400115	Partner Capital	(800,000.00)		0.00	(800,000.00)
04260-00-400120	Retained Earnings	523,422.11		0.00	523,422.11
Subtotal [32.07]	Net Worth	<u>(276,577.89)</u>		<u>0.00</u>	<u>(276,577.89)</u>
Total [32]	Liabilities and Equity	<u>(2,787,460.30)</u>		<u>0.00</u>	<u>(2,787,460.30)</u>
	Sum of Account Groups	0.00		0.00	0.00
	Net (Income) Loss	0.00		0.00	0.00

Client: **Priority Care**
 Engagement: **Other - Waterbury Gardens 2016 Medicaid Report**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB**
 Workpaper: **H.01 - Combined Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries				
Reclassifying Journal Entries JE # 1				
To reclass vent unit room and board revenue				
04260-00-501100	Room & Board-Medicaid		2,467,073.46	
04260-00-502100	Room & Board-Medicare		108,455.37	
04260-00-504100	Room & Board-Managed Care Levels		75,158.70	
Marcum 101	Vent Unit Medicaid R&B Revenue			2,467,073.46
Marcum 102	Vent Unit Medicare R&B Revenue			108,455.37
Marcum 103	Vent Unit Private/Other R&B Revenue			75,158.70
Total			<u>2,650,687.53</u>	<u>2,650,687.53</u>
Reclassifying Journal Entries JE # 2				
To reclass Asst. Admin salary to correct cost report line.				
04260-44-600147	Administration-Salary Productive-Asst Admin		7,324.99	
04260-44-600129	Administration-Salary Productive-Clerical Staff			7,324.99
Total			<u>7,324.99</u>	<u>7,324.99</u>
Reclassifying Journal Entries JE # 3				
To reclass office supplies out of services provided by contract.				
04260-44-610100	Administration-Supplies - Office		1,188.88	
04260-44-650100	Administration - Purchase Services			1,188.88
Total			<u>1,188.88</u>	<u>1,188.88</u>
Reclassifying Journal Entries JE # 4				
To reclass various expenses to correct lines				
04260-32-630140	Other Ancillary Services-Prescription Drugs		6,940.00	
04260-44-610100	Administration-Supplies - Office		519.00	
Marcum 104	Dental Services		3,720.00	
Marcum 105	Clinical Reimbursement Consulting		1,600.00	
Marcum 106	Workers Comp Insurance		253,811.45	
Marcum 107	Property Insurance		22,052.59	
Marcum 108	Various Licenses and Subscriptions		4,581.00	
04260-10-650100	Nursing-Purchased Services			12,260.00
04260-32-650100	Other Ancillary Services-Purchased Services			519.00
04260-44-610180	Administration-Books/Dues/Subs/Meetings			4,581.00
04260-44-610190	Administration-Insurance - Business			275,864.04
Total			<u>293,224.04</u>	<u>293,224.04</u>
Reclassifying Journal Entries JE # 5				
Reclass Real Estate Taxes our of Rent				
Marcum 109	Real Estate Taxes		70,744.95	
04260-99-700100	Other Expenses-Rent			70,744.95
Total			<u>70,744.95</u>	<u>70,744.95</u>
Total Reclassifying Journal Entries			<u>3,023,170.39</u>	<u>3,023,170.39</u>
Total All Journal Entries			<u>3,023,170.39</u>	<u>3,023,170.39</u>



Provider Name: Waterbury Gardens Nursing & Rehabilitation Center, LLC

Provider Number: 20156

Period Ended: 9/30/16

Name of Workpaper: VHCL CKLST

VEHICLE COMPLIANCE CHECKLIST

PURPOSE: To determine that vehicles comply with the published February 15, 2000 guidelines developed to assist providers in understanding what transportation costs are allowable and how the costs must be documented.

		Yes	No	Support Filed at?	Finding Issued?
1	Are all vehicles registered and insured in the facility's name? <i>Request insurance cards and current vehicle registration.</i>				
2	Are all purchase and lease agreements made in the facility's name?				
3	Were mileage logs obtained for facility vehicles claimed for reimbursement				
4	Were the number of vehicles allowed for reimbursement determined?				
5	Was personal use of the facility vehicles determined?				
6	Has the maximum cost allowed for depreciation purposes or the maximum allowable monthly lease expense been determined?				
7	Were all newly acquired vehicle additions for the cost years specified to supporting invoices and cancelled checks verified?				
8	Were all motor vehicle additions physically inspected?				

Conclusion: