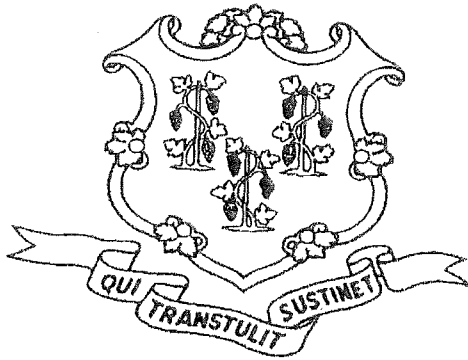


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2019

Name of Facility (as licensed) 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing	
Address (No. & Street, City, State, Zip Code) 88 Clark Lane, Waterford, CT 06385	
Type of Facility	
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing <input type="checkbox"/> Supervision only (RHNS)
<input type="checkbox"/> (Specify)	
Report for Year Beginning 10/1/2018	Report for Year Ending 9/30/2019

License Numbers:	CCNH 1048C	RHNS	(Specify)	Medicare Provider 07-5158
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Medicaid Provider Numbers:	CCNH 10488	RHNS	ICF-IID
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For Department Use Only

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

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General Information

Name of Facility (as licensed)	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute	1048C	9/30/2019	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 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing [facility name], for the cost report period beginning October 1, 2018 and ending September 30, 2019, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

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

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

{a} Subject to Desk Audit Review

Signed (Administrator)		Date	Signed (Owner)		Date
Printed Name (Administrator) James Murphy			Printed Name (Owner) Shannon Mirlis		
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 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		Period Covered:	From 10/1/2018	To 9/30/2019
Address of Facility 88 Clark Lane, Waterford, CT 06385				
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 1/6/2020	
Item	Total	CCNH	RHNS	(Specify)
1. Dietary wages paid	\$			
2. Laundry wages paid	\$			
3. Housekeeping wages paid	\$			
4. Nursing wages paid	\$			
5. All other wages paid	\$			
6. Total Wages Paid	\$			
7. Total salaries paid	\$			
8. Total Wages and Salaries Paid (As per page 10 of Report)	\$			

Wages - Compensation computed on an hourly wage rate.

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

DO NOT include Fringe Benefit Costs.

General Information and Questionnaire
Type of Facility - Organization Structure

Phone No. of Facility 860-442-0471		Report for Year Ended 9/30/2019	Page 2	of 37
Name of Facility (as shown on license) 88 Clark Operating, LLC d/b/a New London Sub-Acute and N		Address (No. & Street, City, State, Zip) 88 Clark Lane, Waterford, CT 06385		
License Numbers:	CCNH 1048C	RHNS	(Specify)	Medicare Provider No. 07-5158
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 type="checkbox"/> (Specify)				
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 type="radio"/> Yes	<input checked="" type="radio"/> No	If "Yes," explain fully.
N/A				
Administrator				
Name of Administrator James Murphy		Nursing Home Administrator's License No.:	002034	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.				
Name N/A		License No.:		

**General Information and Questionnaire
 Corporate Owners**

Name of Facility 88 Clark Operating, LLC d/b/a New London S	License No. 1048C	Report for Year Ended 9/30/2019	Page 3A	of 37
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If this facility is owned or operated as a corporation, provide the following information:

Legal Name of Corporation	Business Address	State(s) in Which Incorporated	
N/A			

Name of Directors, Officers	Business Address	Title	No. Shares Held by Each
N/A			

Names of Stockholders Owning at Least 10% of Shares	Business Address	Title	No. Shares Held by Each
N/A			

**General Information and Questionnaire
Individual Proprietorship**

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-	1048C	9/30/2019	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 88 Clark Operating, LLC d/b/a New London Sub-Acute	License No. 1048C	Report for Year Ended 9/30/2019	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	%**				
88 Clark Lane Realty, LLC	88 Clark Lane, Waterford, CT 06385	<input type="radio"/>	<input checked="" type="radio"/>		Rent	Pg. 22 / Line 9	1,428,430	776,796
88 Clark Lane Realty, LLC	88 Clark Lane, Waterford, CT 06385	<input type="radio"/>	<input checked="" type="radio"/>		Real Estate Taxes	Pg. 22 / Line 10b	74,841	75,488
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>		Physical Therapy	Pg. 13 / Line B5a	247,436	247,436
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>		Speech Therapy	Pg. 13 / Line B9a	98,342	98,342
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>		Occupational Therapy	Pg. 13 / Line B10a	274,698	274,698
93 W Main Operating, LLC	93 W Town Street, Norwich, CT 06360	<input type="radio"/>	<input checked="" type="radio"/>		Laundry Services	Pg 19 / Line 3B	54,000	54,000
		<input type="radio"/>	<input checked="" type="radio"/>					
		<input type="radio"/>	<input checked="" type="radio"/>					
		<input type="radio"/>	<input checked="" 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 88 Clark Operating, LLC d/b/a New London Su	License No. 1048C	Report for Year Ended 9/30/2019	Page 5	of 37
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If the facility is licensed as CDH and/or RCH or provides AIDS or TBI services with special Medicaid rates, costs must be allocated to CCNH and RHNS as follows:

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

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

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

N/A

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

N/A

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

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

N/A

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	
88 Clark Operating, LLC d/b/a New London Sub-Acute and			1048C	9/30/2019			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							
Pitney Bowes, Inc. 1 Elmcroft Road, Stamford, CT 06926	<input type="radio"/>	<input checked="" type="radio"/>	Postage Machine	09/29/09	Open Ended	440		440	
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
	<input type="radio"/>	<input checked="" type="radio"/>							
Is a Mileage Log Book Maintained for All Leased Vehicles ?							<input type="radio"/> Yes	<input checked="" type="radio"/> No	Total ***
								440	

* 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.

**General Information and Questionnaire
Accounting Basis**

Name of Facility 88 Clark Operating, LLC d/b/a New	License No. 1048C	Report for Year Ended 9/30/2019	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:
 Accrual Cash Modified Cash

Is the accounting basis for this period the same as for the previous period? Yes No If "No," explain.

N/A

Independent Accounting Firm

Name of Accounting Firm	Address (No. & Street, City, State, Zip Code)
1 Marcum LLP	555 Long Wharf Drive, 8th Floor, New Haven, CT 06511
2 Roth & Co	1428 36th St #200, Brooklyn, NY 11218
3 PDR CPAs	4023 Tampa Road, Suite 2000, Oldsmar, FL 34677
4	

Services Provided by This Firm (*describe fully*)

1 Financial Statement Review, HUD Audit and Cost Report Preparation	\$ 16,687
2 Monthly Retainer Fee	\$ 14,450
3 401k Audit	\$ 6,500
4	\$
	Charge for Services Provided
	\$ 37,637

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.
 Yes No Page 15, Line 1d

Legal Services Information

Name of Legal Firm or Independent Attorney	Telephone Number
1 Bradford Sullivan Esq	860-664-4440
2 Murtha Cullina LLP	860-240-6000
3 Treasurer State of CT	860-702-3000
4	
5	

Address (*No. & Street, City, State, Zip Code*)
 1 116 E Main St, Clinton, CT 06413
 2 185 Asylum Street, 29th Floor, Hartford, CT 06103
 3 55 Elm Street Ste 3, Hartford, CT 06106
 4
 5

Services Provided by This Firm (*describe fully*)

1 Fees relating to settlement with City Line Distributors (\$3,750 Disallowed on Pg 28)	\$ 7,500
2 General Legal Matters	\$ 3,083
3 Conservatorship (Disallowed on Pg 28)	\$ 2,315
4	\$
5	\$
	Charge for Services Provided
	\$ 12,898

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.
 Yes No Page 15, Line 1e

Schedule of Resident Statistics

Name of Facility		License No.			Report for Year Ended				Page	of			
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		1048C			9/30/2019				8	37			
	Total All Levels	Total CCNH Level	Total RHNS Level	Total (Specify)	Period 10/1 Thru 6/30				Period 7/1 Thru 9/30				
					Total	CCNH	RHNS	(Specify)	Total	CCNH	RHNS	(Specify)	
1. Certified Bed Capacity													
A. On last day of PREVIOUS report period	120	120			120	120			120	120			
B. On last day of THIS report period	120	120			120	120			120	120			
2. Number of Residents													
A. As of midnight of PREVIOUS report period	103	103			103	103			108	108			
B. As of midnight of THIS report period	100	100			108	108			100	100			
3. Total Number of Days Care Provided During Period													
A. Medicare	4,789	4,789			3,692	3,692			1,097	1,097			
B. Medicaid (Conn.)	28,361	28,361			21,346	21,346			7,015	7,015			
C. Medicaid (other states)													
D. Private Pay	3,854	3,854			2,845	2,845			1,009	1,009			
E. State SSI for RCH													
F. Other (Specify) HMO & Hospice	595	595			298	298			297	297			
G. Total Care Days During Period (3A thru F)	37,599	37,599			28,181	28,181			9,418	9,418			
4. Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds													
A. Medicaid Bed Reserve Days	618	618			469	469			149	149			
B. Other Bed Reserve Days	10	10			10	10							
5. Total Resident Days (3G + 4A + 4B)	38,227	38,227			28,660	28,660			9,567	9,567			

Schedule of Resident Statistics (Cont'd)

Name of Facility 88 Clark Operating, LLC d/b/a New London	License No. 1048C	Report for Year Ended 9/30/2019	Page 9	of 37
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4. Were there any changes in the certified bed capacity during the report year? Yes No
 If "YES", provide the following information:

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

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

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

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

Item	Medicare	Medicaid		Self-Pay			Other State Assisted	
	CCNH	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR
No. of Residents	12	75		13				
Per Diem Rate								
a. One bed rm.	Various	201.14		405.00				
b. Two bed rms.	Various	201.14		385.00				
c. Three or more bed rms.								

7. Total Number of Physical Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	2,216	2,216		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	76	76		
2. Restorative Treatments	687	687		
C. Other	11,568	11,568		
D. Total Physical Therapy Treatments	14,547	14,547		

8. Total Number of Speech Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	609	609		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	21	21		
2. Restorative Treatments	187	187		
C. Other	2,188	2,188		
D. Total Speech Therapy Treatments	3,005	3,005		

9. Total Number of Occupational Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	1,673	1,673		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments	57	57		
2. Restorative Treatments	515	515		
C. Other	14,042	14,042		
D. Total Occupational Therapy Treatments	16,287	16,287		

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
88 Clark Operating, LLC d/b/a New London Sub-Acute and	1048C	9/30/2019	10	37		
Are time records maintained by all individuals receiving compensation? <input checked="" type="radio"/> Yes <input type="radio"/> No						
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
A. Salaries and Wages*						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	121,503	2,046				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)						
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	65,238	3,484				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor	64,133	2,086				
c. Dietary Workers	261,013	20,881				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers	197,798	15,821				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	57,012	2,081				
b. Other Maintenance Workers	32,776	2,203				
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	216,432	5,348				
b. RN						
1. Direct Care	582,411	16,080				
2. Administrative**	158,434	5,001				
c. LPN						
1. Direct Care	1,093,136	37,091				
2. Administrative**						
d. Aides and Attendants	1,275,143	79,485				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	115,291	7,234				
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	70,359	2,086				
n. Marketing	16,097	521				
o. Other (Specify)						
See Attached Schedule	136,985	5,365				
A-13. Total Salary Expenditures	4,463,761	206,813				

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

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

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

Schedule of Other Salaries and Wages (Page 10)

Position	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Medical Records	\$ 38,756	1,774				
Admissions	98,229	3,591				
Total	\$ 136,985	5,365	\$ -	-	\$ -	-

Schedule of Other Fees (Page 13)

Service	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Respiratory Therapist (Disallowed on Pg 28a)	\$ 1,753	14				
IV Insertion Nurse (Disallowed on Pg 28a)	2,942	39				
Clinical Consultant (Disallowed on Pg 28a)	6,000	Monthly Fee				
Total	\$ 10,695	53	\$ -	-	\$ -	-

State of Connecticut

Annual Report of Long-Term Care Facility

CSP-11 Rev. 10/2005

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

Name of Facility				License No.	Report for Year Ended			Page	of	
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing				1048C	9/30/2019			11	37	
Name	Salary Paid			Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS	(Specify)							
Section I - Operators/Owners										
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

CSP-12 Rev. 10/2005

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

Name of Facility (as licensed)			License No.	Report for Year Ended			Page	of		
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing			1048C	9/30/2019			12	37		
Name	Salary Paid			Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS	(Specify)							
Section III - Administrators***										
James Murphy (10/1/18-1/11/19)	30,506			Non Discriminatory	Administrator	1,452	A2			
Thomas E. Harris (1/11/19-9/30/19)	90,997			Non Discriminatory	Administrator	594	A2			
Section IV - Assistant Administrators										

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

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

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

Annual Report of Long-Term Care Facility

CSP-13 Rev. 9/2002

B. Report of Expenditures - Professional Fees

Name of Facility	License No.	Report for Year Ended	Page	of		
88 Clark Operating, LLC d/b/a New London Sub-A	1048C	9/30/2019	13	37		
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)						
1. Dietitian						
2. Dentist	6,300	63	est.			
3. Pharmacist	508	Monthly Fee				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	247,436	3,637				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	42,000	Monthly Fee				
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	98,342	751				
b. Other						
10. Occupational Therapist						
a. Resident Care	274,698	4,072				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care						
2. Administrative***						
b. LPN						
1. Direct Care						
2. Administrative***						
c. Aides						
d. Other						
12. Other (Specify) See Attached Schedule	10,695	53				
B-13 Total Fees Paid in Lieu of Salaries	679,979	8,576				

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

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

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

Report of Expenditures

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

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute		License No. 1048C		Report for Year Ended 9/30/2019	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship		
		Yes	No			
LTC Management, 174 Scott Road Prospect CT 06712	Dental Services	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Regal Care Rehab, 26 Firemens Memorial Drive, Suite 205, Pomona, NY 10970	Physical, Occupational, and Speech Therapy	<input checked="" type="radio"/>	<input type="radio"/>	Common Ownership		
IPC Healthcare, PO Box 844929 Los Angeles, CA 90084	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Medwiz Solutions, LLC, 167 Route 304, Bardonia, NY 10954	IV Insertion Nurse	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
HC consulting, PO Box 265 Waterbury CT 06720	Clinical Consultant	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Technical Gas Products, Inc., 101 N Plains industrial Road, Wallingford, CT 06492	Respiratory Therapist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Integra Scripts, 160 Airport Road, Lakewood, NJ 08701	Pharmacist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			
		<input type="radio"/>	<input checked="" type="radio"/>			

* Use additional sheets if necessary.
 ** Refer to Page 4 for definition of related.

C. Expenditures Other Than Salaries - Administrative and General

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-	1048C	9/30/2019	15	37
Item	Total	CCNH	RHNS	(Specify)
1. Administrative and General				
a. Employee Health & Welfare Benefits				
1. Workmen's Compensation	\$ 93,564	93,564		
2. Disability Insurance	\$			
3. Unemployment Insurance	\$			
4. Social Security (F.I.C.A.)	\$ 425,862	425,862		
5. Health Insurance	\$ 335,416	335,416		
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	\$ 4,451	4,451		
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$			
c. Bad Debts*	\$ 106,738	106,738		
d. Accounting and Auditing	\$ 37,637	37,637		
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 12,898	12,898		
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$			
g. Office Supplies	\$ 30,496	30,496		
h. Telephone and Cellular Phones				
1. Telephone & Pagers	\$ 6,891	6,891		
2. Cellular Phones	\$ 2,095	2,095		
i. Appraisal (<i>Specify purpose and attach copy</i>)*	\$			
j. Corporation Business Taxes (<i>franchise tax</i>)	\$ 250	250		
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	\$ 697,780	697,780		
Subtotal	\$ 1,754,078	1,754,078		

* 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**

Schedule of Other Employee Benefits

Description	CCNH	RHNS	(Specify)
	-		
Background Checks	\$ 4,451		
Total	\$ 4,451	\$ -	\$ -

Schedule of Other Taxes

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

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

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute	1048C	9/30/2019	16	37
Item	Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:	1,754,078	1,754,078		
l. Travel and Entertainment				
1. Resident Travel and Entertainment	\$ 128	128		
2. Holiday Parties for Staff	\$ 2,812	2,812		
3. Gifts to Staff and Residents	\$ 296	296		
4. Employee Travel	\$ 8,466	8,466		
5. Education Expenses Related to Seminars and Conventions	\$ 7,078	7,078		
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>)	\$ 483	483		
2. Advertising Telephone Directory (<i>all such expenses</i>)***	\$			
3. Advertising Other (<i>Specify</i>)*** See Attached Schedule	\$ 13,487	13,487		
4. Fund-Raising***	\$			
5. Medical Records	\$			
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$			
7. Postage	\$ 3,286	3,286		
* 8. Dues and Membership Fees to Professional Associations (<i>Specify</i>) See Attached Schedule	\$			
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$ 223	223		
9. Subscriptions	\$ 36	36		
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>)	\$ 288,728	288,728		
12. Administrative Management Services**	\$			
13. Other (<i>Specify</i>) See Attached Schedule	\$ 66,399	66,399		
C-14 Total Administrative & General Expenditures	\$ 2,145,500	2,145,500		

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

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

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

Schedule of Other Travel and Entertainment

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

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	-		
Marketing and Advertising (Disallowed on Pg 28)	\$ 13,487		
Total Other Advertising	\$ 13,487	\$ -	\$ -

Schedule of Dues

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

Schedule of Contributions

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

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Resident Missing Items (Disallowed on pg 28)	\$ 89		
Licenses	870		
Fines Penalties & Settlements (Disallowed on pg 28)	42,472		
Late Fees (Disallowed on pg 28)	1,683		
Bank Fees (\$1,304 Disallowed on pg 28)	3,982		
Prior Period Adjustments (Disallowed on pg 28)	7,807		
Employee Food (Disallowed on pg 28)	2,969		
Discriminatory Bonus (Disallowed on pg 28)	5,000		
Employee Relations (Disallowed on pg 28)	1,527		
Total Other Administrative and General	\$ 66,399	\$ -	\$ -

Schedule C-1 - Management Services*

Name of Facility 88 Clark Operating, LLC d/b/a New Lond	License No. 1048C	Report for Year Ended 9/30/2019	Page of 17 37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
N/A			

* 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 88 Clark Operating, LLC d/b/a New London Sub-Acute		License No. 1048C	Report for Year Ended 9/30/2019	Page 18	of 37
Item	Total	CCNH	RHNS	(Specify)	
2. Dietary					
a. In-House Preparation & Service					
1. Raw Food	\$ 306,480	306,480			
2. Non-Food Supplies	\$ 21,450	21,450			
3. Other (Specify) _____	\$				
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)					
c. Other (Specify) _____					
2D. Total Dietary Expenditures (2a + b + c + d)					
	\$ 327,930	327,930			
2E. Dietary Questionnaire					
F. Resident Meals:	Total no. of meals served per day:*				
G. Is cost of employee meals included in 2D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No			
H. Did you receive revenue from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
I. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
J. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
K. Is any revenue collected from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
L. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
M. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
N. Is any revenue collected from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
O. Where is the revenue received reported in the Cost Report? (Page/Line Item)					

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

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

Name of Facility		License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute		1048C	9/30/2019	19	37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*	Lbs.				
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***	Amt. \$				
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***	Lbs.				
	Amt. \$				
3. Personal clothing of residents washed, ironed, and/or processed.***	Lbs.				
	Amt. \$				
4. Repair and/or purchase of linens.***	Lbs.				
	Amt. \$				
b. Purchased Services (<i>by contract other than through Management Services</i>) (Complete Schedule C-2 att. Page 21)	\$	54,000	54,000		
c. Other (<i>Specify</i>) Laundry Supplies	\$	1,321	1,321		
3D. Total Laundry Expenditures (3a + b + c)	\$	55,321	55,321		
3E. Laundry Questionnaire					
F. Is cost of employee laundry included in 3D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
G. Did you receive revenue from employees?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
H. Where is the revenue received reported in the Cost Report?	(Page/Line Item)				
I. Is Cost of laundry provided to persons other than employees or residents included in 3D?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.		
J. Did you receive revenue from these people?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.		
K. Where is the revenue received reported in the Cost Report?	(Page/Line Item)				

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

All allocations should add to total recorded in 3D.

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

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

Name of Facility		License No.	Report for Year Ended		Page	of
88 Clark Operating, LLC d/b/a New London Su		1048C	9/30/2019		20	37
Item			Total	CCNH	RHNS	(Specify)
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care					
	1. Supplies - Cleaning (<i>Mops, pails, brooms, etc.</i>)	Amt. \$	30,052	30,052		
b.	Purchased Services (<i>by contract other than through Management Services</i>) (<i>Complete Schedule C-2 att. Page 21</i>)	Sq. Ft. Serviced by Personnel				
		Amt. \$				
	C. Other (<i>Specify</i>)	\$				
4D.	Total Housekeeping Expenditures (4a + b + c)	\$	30,052	30,052		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Medwiz	\$	242,382	242,382		
b.	Medicine Cabinet Drugs	\$	6,118	6,118		
c.	Medical and Therapeutic Supplies	\$	136,000	136,000		
d.	Ambulance/Limousine***	\$				
e.	Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$	5,263	5,263		
f.	X-rays and Related Radiological Procedures***	\$	7,185	7,185		
g.	Dental (<i>Not dentists who should be included under salaries or fees</i>)	\$				
h.	Laboratory***	\$	11,273	11,273		
i.	Recreation	\$	23,361	23,361		
j.	Direct Management Services*	\$				
k.	Indirect Management Services*	\$				
l.	Other (Specify)**** See Attached Schedule	\$	68,519	68,519		
5M.	Total Resident Care Expenditures (5a - 5j)	\$	500,101	500,101		

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

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

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

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

Schedule of Other Resident Care

Description	CCNH	RHNS	(Specify)
	-		
Sanitation & Incineration	\$ 804		
Equipment Rental (\$61,916 Disallowed on Pg 29a)	66,615		
Medical Equipment Cleaning	1,100		
Total Other Resident Care	\$ 68,519	\$ -	\$ -

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

Name of Facility		License No.		Report for Year Ended			Page of			
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing		1048C		9/30/2019			21	37		
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	Total Cost/Page Ref.***				
		Yes	No			CCNH	RHNS	(Specify)	Pg	Line
LTC Consulting Services	7 Randolph Road, Howell, NJ, 07731	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Billing and Fiscal Services	198,700			16	m11
Caretech Group	1123 McDonald Ave, Brooklyn, NY 11230	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Purchasing Company	16,800			16	m11
93 W Main Operating, LLC	93 W Town Street, Norwich, CT 06360	<input type="radio"/>	<input checked="" type="radio"/>	Common Ownership	Laundry Services	54,000			19	3c
CWPM	PO Box 415, Plainville, CT 0602	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Sanitation	24,287			22	6f
On-Time IT	407B Monroe, NY 10950	<input type="radio"/>	<input checked="" type="radio"/>	N/A	IT	28,757			16	m11
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							
		<input type="radio"/>	<input checked="" type="radio"/>							

* List all contracted services over \$10,000. Use additional sheets if necessary.
 ** Refer to Page 4 for definition of related.
 *** Please cross-reference amount to the appropriate page in the Annual Report (Pages 16, 18, 19, 20 or 22).

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

Name of Facility	License No.	Report for Year Ended			Page	of
88 Clark Operating, LLC d/b/a New London S	1048C	9/30/2019			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 42,322	42,322				
b. Heat	\$ 24,033	24,033				
c. Light & Power	\$ 135,431	135,431				
d. Water	\$ 36,464	36,464				
e. Equipment Lease (<i>Provide detail on page 6</i>)	\$ 440	440				
f. Other (<i>itemize</i>)	\$ 139,022	139,022				
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$ 377,712	377,712				
7. Depreciation (<i>complete schedule page 23*</i>)						
a. Land Improvements	\$					
b. Building & Building Improvements	\$ 53,888	53,888				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 19,048	19,048				
*7e. Total Depreciation Costs (7a + b + c + d)	\$ 72,936	72,936				
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	\$ 1,428,430	1,428,430				
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$ 74,841	74,841				
c. Personal property taxes	\$ 9,998	9,998				
11. Total Property Expenses (7e + 8e + 9 + 10)	\$ 1,586,205	1,586,205				

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

Schedule of Other Repairs and Maintenance

Description	CCNH	RHNS	(Specify)
	-		
Supplies	\$ 60,209		
Sanitation & Incineration	24,287		
Extermination	2,024		
Snow Removal	5,902		
Landscaping	7,386		
Fire Drill	3,533		
Contracted Service	35,513		
Security	168		
Total Other Repairs and Maintenance	\$ 139,022	\$ -	\$ -

Depreciation Schedule

Name of Facility 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing			License No. 1048C		Report for Year Ended 9/30/2019			Page 23	of 37			
Property Item	Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals				
A. Land Improvements												
1. Acquired prior to this report period	26,130		26,130	26,130	S/L	Various						
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	2,561,645		2,561,645	2,072,728	S/L	Various	47,551					
2. Disposals (attach schedule)	(11,388)		(11,388)	(11,388)								
3. Acquired during this report period (attach schedule)	60,278		60,278		S/L	Various	6,337					
B-4. Subtotal								53,888				
C. Non-Movable Equipment												
1. Acquired prior to this report period	92,905		92,905	92,905	S/L	Various						
2. Disposals (attach schedule)												
3. Acquired during this report period (attach schedule)												
C-4. Subtotal												
D. Movable Equipment												
1. Motor Vehicles (Specify name, model and year of each vehicle)	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								
a.												
b.												
c.												
d.												
2. Movable Equipment												
a. Acquired prior to this report period			Var	Var	1,485,662		1,485,662	1,394,918	S/L	Various	12,397	
b. Disposals (attach schedule)					(54,474)		(54,474)	(19,098)				
c. Acquired during this report period (attach schedule)			Var	Var	41,222		41,222		S/L	Various	6,651	
D-3. Subtotal												19,048
E. Total Depreciation										72,936		

Schedule of Land Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Total additions for Land Improvements		\$ -		\$ - *
Deletions:				
Total deletions for Land Improvements		\$ -		\$ - **

*Ties to Page 23, Line A3

**Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Various	Various - See Attached Schedule	\$ 60,278	Various	\$ 6,337
Total additions for Building Improvements		\$ 60,278		\$ 6,337 *
Deletions:				
12/31/2018	Generic Leasehold Disposals	\$ (11,388)		
Total deletions for Building Improvements		\$ (11,388)		\$ - **

*Ties to Page 23, Line B3

**Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Total additions for Non-Movable Equipment		\$ -		\$ - *
Deletions:				
Total deletions for Non-Movable Equipment		\$ -		\$ - **

*Ties to Page 23, Line C3

**Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Various	Various - See Attached Schedule	\$ 41,222	Various	\$ 6,651
Total additions for Movable Equipment		\$ 41,222		\$ 6,651 *
Deletions:				
Various	Various - See Attached Schedule	\$ (54,474)		
Total deletions for Movable Equipment		\$ (54,474)		\$ - **

*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 Improvement		\$ -		\$ - *
Deletions:				
Total deletions for Leasehold Improvement		\$ -		\$ - **

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

Amortization Schedule*

Name of Facility			License No.		Report for Year Ended			Page	of
88 Clark Operating, LLC d/b/a New London Sub-Acute and			1048C		9/30/2019			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.

88 Clark Operating, LLC
 Depreciation Schedule
 September 30, 2019

Property	Acquisition Year	Historical Costs	Cost to Be Depreciated	Life	Method Life	9/30/2017 Deprec.	9/30/2017 Accum Deprec.	9/30/2018 Deprec.	9/30/2018 Accum Deprec.	9/30/2019 Deprec.	9/30/2019 Accum Deprec.	Net Book Value
Land Improvements												
Acquired prior 2011	Var	26,130	26,130	Var	S/L	-	26,130	-	26,130	-	26,130	-
Total		26,130	26,130			-	26,130	-	26,130	-	26,130	-
Building and Building Improvements												
Acquired prior 2011	Var	2,031,125	2,031,125	Var	S/L	16,252	1,865,877	16,252	1,882,129	16,252	1,898,382	132,744
		<u>2,031,125</u>	<u>2,031,125</u>			<u>16,252</u>	<u>1,865,877</u>	<u>16,252</u>	<u>1,882,129</u>	<u>16,252</u>	<u>1,898,382</u>	<u>132,744</u>
Acquisition 2012												
Renovations	8/21/2012	6,780	6,780	5	S/L	-	6,780	-	6,780	-	6,780	-
Repair Flooring	4/26/2012	15,587	15,587	5	S/L	-	15,587	-	15,587	-	15,587	-
Repair Sewer	7/31/2012	2,659	2,659	5	S/L	-	2,659	-	2,659	-	2,659	-
Repair Sewer	8/1/2012	5,318	5,318	5	S/L	-	5,318	-	5,318	-	5,318	-
Carpet	12/15/2011	10,868	10,868	5	S/L	-	10,868	-	10,868	-	10,868	-
New Generator	12/21/2011	12,000	12,000	20	S/L	150	3,600	600	4,200	600	4,800	7,200
Wallpaper	Var	28,657	28,657	10	S/L	717	17,195	2,866	20,061	2,866	22,927	5,729
Generator	var	74,669	74,669	10	S/L	1,867	44,802	7,467	52,269	7,467	59,736	14,933
Wanderguard	12/1/2011	3,247	3,247	5	S/L	-	3,247	-	3,247	-	3,247	-
Outdoor Sign	12/1/2011	6,528	6,528	10	S/L	163	3,918	653	4,571	653	5,224	1,304
Electrical Work	10/20/2011	3,084	3,084	10	S/L	77	1,849	308	2,157	308	2,465	619
Total 2012 Acq		169,394	169,394			2,974	115,821	11,894	127,715	11,894	139,609	29,786
Acquisition 2013												
Dish Machine and Booster	5/17/2013	13,599	13,599	5	S/L	679	13,599	-	13,599	-	13,599	-
Total New Acq		13,599	13,599			679	13,599	-	13,599	-	13,599	-
Acquisition 2014												
FLOORING REPAIR/TEAR OUT	11/14/2013	5,830	5,830	10	S/L	146	2,235	583	2,818	583	3,401	2,429
WALK-IN FRIDGE/FREEZER	1/1/2014	47,759	47,759	15	S/L	796	11,144	3,184	14,328	3,184	17,512	30,247
ELECTRICAL DEMOWIRING WALKIN COOLER	1/8/2014	4,201	4,201	15	S/L	70	980	280	1,260	280	1,540	2,661
ELECTRIC SERVICES FOR WALKIN	1/8/2014	2,165	2,165	15	S/L	36	505	144	649	144	793	1,373
SPRINKLER SERVICES FOR WALKIN	1/15/2014	3,261	3,261	15	S/L	54	760	217	977	217	1,194	2,067
DAYROOM RENOVATION	2/28/2014	6,777	6,777	20	S/L	85	1,130	339	1,469	339	1,808	4,969
WALKIN FREEZER WALL DEMO	3/11/2014	9,004	9,004	15	S/L	150	1,900	600	2,500	600	3,100	5,904
RENOVATE SHOWER ROOMS	3/31/2014	95,110	95,110	20	S/L	1,189	15,058	4,755	19,813	4,755	24,568	70,542
Settlement for AM/PM Roof - Repaired in 2010	10/18/2013	(32,500)	(32,500)	30	S/L	(271)	(4,333)	(1,083)	(5,416)	(1,083)	(6,499)	(26,001)
Total 2014 Additions		141,607	141,607			2,255	29,379	9,019	38,398	9,019	47,417	94,190
Acquisition 2015												
NEW ELECTRICAL PANEL	10/28/2014	3,353	3,353	20	S/L	42	504	168	672	168	840	2,513
Total 2015 Additions		3,353	3,353			42	504	168	672	168	840	2,513
Acquisition 2018												
install new doors	10/26/2017	3,000	3,000	10	S/L	-	-	300	300	300	600	2,400
door handles	11/1/2017	2,764	2,764	10	S/L	-	-	276	276	276	552	2,212
door handles	11/1/2017	905	905	10	S/L	-	-	91	91	91	182	723
paving	11/24/2017	6,168	6,168	8	S/L	-	-	771	771	771	1,542	4,626
Kropp Environmental Contractors - Sewage Project	12/31/2017	174,238	174,238	25	S/L	-	-	6,970	6,970	6,970	13,940	160,298
heat exchanger	1/9/2018	3,126	3,126	15	S/L	-	-	208	208	208	416	2,710
A/C maintenance	6/27/2018	1,950	1,950	15	S/L	-	-	130	130	130	260	1,690
A/C maintenance	7/9/2018	2,077	2,077	15	S/L	-	-	138	138	138	276	1,801
A/C maintenance	7/9/2018	2,516	2,516	15	S/L	-	-	168	168	168	336	2,180
flooring	7/9/2018	1,823	1,823	5	S/L	-	-	365	365	365	730	1,093
flooring	9/28/2018	1,800	1,800	5	S/L	-	-	360	360	360	720	1,080
flooring	9/28/2018	2,200	2,200	5	S/L	-	-	440	440	440	880	1,320
Total 2018 Additions		202,567	202,567			-	-	10,217	10,217	10,217	20,434	182,133
Acquisition 2019												
heat exchange replacement	11/28/2018	3,439	3,439	15	S/L	-	-	-	-	229	229	3,210
fire barrier construction downpayment	12/3/2018	4,000	4,000	15	S/L	-	-	-	-	267	267	3,733
replace glass door	12/4/2018	750	750	10	S/L	-	-	-	-	75	75	675
heat exchanger replacement in north unit	12/5/2018	3,297	3,297	15	S/L	-	-	-	-	220	220	3,077
Replace Defective zone module in fire alarm control panel	12/5/2018	789	789	15	S/L	-	-	-	-	53	53	736
replace east unit heat exchanger	12/27/2018	3,457	3,457	15	S/L	-	-	-	-	230	230	3,227
fire barriers in hallways above fire doors	12/18/2019	4,000	4,000	15	S/L	-	-	-	-	267	267	3,733

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

Name of Facility 88 Clark Operating, LLC d/b/a New La	License No. 1048C	Report for Year Ended 9/30/2019	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					
4. Date of Initial Licensure	05/21/05				
5. Total Licensed Bed Capacity	120				
6. Square Footage					
7. Acquisition Cost					
a. Land					
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 for LIBOR	Promissory Note			
b. Date Mortgage Obtained	07/01/17	09/26/19			
c. Interest Rate for the Cost Year	LIBOR + 3.25% Wit	3.31%			
d. Term of Mortgage (number of years)	5	420 Months			
e. Amount of Principal Borrowed	8,250,000	8,488,700			
f. Principal balance outstanding as of 9/30/19	7,749,306	8,456,390			
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
88 Clark Operating, LLC d/b/a New L		1048C	9/30/2019		26	37
Item			Total	CCNH	RHNS	(Specify)
12. Interest						
A. Building, Land Improvement & Non-Movable Equipment						
1. First Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
2. Second Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
3. Third Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
4. Fourth Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
B. CHEFA Loan Information						
1. Original Loan Amount			\$			
2. Loan Origination Date						
3. Interest Rate %						
4. Term						
5. CHEFA Interest Expense						
12 B7. Total Building Interest Expense (A1 - A4 + B5)			\$			

(Carry Subtotals forward to next page)

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

Name of Facility		License No.		Report for Year Ended		Page	of
88 Clark Operating, LLC d/b/a New		1048C		9/30/2019		27	37
Item				Total	CCNH	RHNS	(Specify)
Subtotals Brought Forward:							
12. C. Movable Equipment							
1. Automotive Equipment				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
2. Other (Specify)				\$			
A. Item		Rate	Amount				
Lender							
Address of Lender							
B. Item		Rate	Amount				
Lender							
Address of Lender							
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)				\$			
12. D. Other Interest Expense (Specify)				\$	56,491	56,491	
Loan / Credit Card / Use Tax / PP Tax / Water Bill / Realty							
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$	56,491	56,491	
14. Insurance							
a. Insurance on Property (buildings only)				\$	78,224	78,224	
b. Insurance on Automobiles				\$			
c. Insurance other than Property (as specified above)							
1. Umbrella (Blanket Coverage)				\$			
2. Fire and Extended Coverage				\$			
3. Other (Specify)				\$	375	375	
Surety Bond							
14d. Total Insurance Expenditures (14a + b + c)				\$	78,599	78,599	
15. Total All Expenditures (A-13 thru C-14)				\$	10,301,651	10,301,651	

D. Adjustments to Statement of Expenditures

Name of Facility			License No.	Report for Year Ended	Page	of	
88 Clark Operating, LLC d/b/a New London Sub-Acute and Nu			1048C	9/30/2019	28	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Page 10 - Salaries and Wages							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$ 16,097	16,097		
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 274,698	274,698		
7.			Other - See attached Schedule	\$ 10,695	10,695		
Pages 15 & 16 - Administrative and General							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$ 106,738	106,738		
10.			Accounting	\$			
10a.	15	1e	Legal	\$ 6,065	6,065		
11.			Telephone	\$			
12.	15	1h2	Cellular Telephone	\$ 655	655		
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.	16	L3	Gifts, flowers and coffee shops	\$ 296	296		
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 *	\$ 13,487	13,487		
19.			Income Tax / Corporate Business Tax	\$			
20.			Fund Raising / Contributions	\$			
21.			Unallowable Management Fees	\$			
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 65,819	65,819		
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)				\$ 494,550	494,550		

* All except "Help Wanted".

(Carry Subtotal forward to next page)

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

Schedule of Other Salaries Adjustment

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
10	12n	Marketing Salary	\$ 16,097		
Total Other Salaries Adjustment			\$ 16,097	\$ -	\$ -

Schedule of Fees Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
13	B12o	Respiratory Therapist	\$ 1,753		
13	B12o	IV Insertion Nurse	2,942		
13	B12o	Clinical Consultant	6,000		
Total Other Fees Adjustments			\$ 10,695	\$ -	\$ -

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m13	Non Routine Bank Fees	\$ 1,304		
16	m13	Resident Missing Items	89		
16	m13	Fines, Penalties & Settlements	42,472		
16	m13	Late Fees	1,683		
16	m13	Prior Period Adjustments	7,807		
16	m13	Employee Food	2,969		
16	m13	Discriminatory Bonus	5,000		
16	m13	Employee Relation	1,527		
16	m8a	Chamber of Commerce Dues	223		
15	Var	Benefits Relating to Marketing Salary	2,745		
Total Other A&G Adjustments			\$ 65,819	\$ -	\$ -

88 Clark Operating, LLC
September 30, 2019
Benefits Disallowance

Pg. 28a

Marketing Benefits Disallowance

Marketing Salary	16,097	Page 10
Total Salaries	<u>4,463,761</u>	TB Linked
Percent to Total Salaries	0.36%	
Total Benefits (Pg 15, Line 1a3 - 1a6)	761,278	TB Linked
Marketing Benefits Disallowed	2,745	Page 28 attachment

**88 Clark Operating, LLC
Disallowance Schedule for Cell Phones
September 30, 2019**

	<u>Amount</u>	
Total Cell Phone Expense	2,095	TB Linked
Cell Phone Allowed Based on Bed Capacity	4	
Monthly Allowable amount per Cell Phone	\$ 30	
Months in Cost Report Year	<u>12</u>	
Total Allowable Cost	\$ 1,440	
Full Year Cost Report (365 out of 365 Days)	<u>100%</u>	
Revised Allowable Cost	\$ 1,440	
Disallowed Cell Phone (Page 28, Line 12)	<u><u>\$ 655</u></u>	

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

Name of Facility			License No.	Report for Year Ended	Page	of	
88 Clark Operating, LLC d/b/a New London Sub-Acute and N			1048C	9/30/2019	29	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 494,550	494,550		
Page 20 - Resident Care Supplies***							
27.	20	5a2	Prescription Drugs	\$ 242,382	242,382		
28.			Ambulance/Limousine	\$			
29.	20	5f	X-rays, etc	\$ 7,185	7,185		
30.	20	5h	Laboratory	\$ 11,273	11,273		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 5,263	5,263		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 95,176	95,176		
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.			Other - Indirect	\$			
43.			Interest Income on Account Rec.	\$			
44.			Other - Miscellaneous Administrative	\$			
45.			Management Fees Direct	\$			
46.			Management Fees Indirect	\$			
47.			Other - Direct	\$ 18,543	18,543		
Not For Profit Providers Only							
48.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
49. Total Amount of Decrease (Items 1 - 48)				\$ 874,372	874,372		

*** 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.

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

Schedule of Other - Miscellaneous Administrative Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
Total Other Adjustments			\$ -	\$ -	\$ -

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
30	IV 8	Food Revenue	\$ 126		
30	IV 8	Bounced Check Fee Revenue	25		
30	IV 8	Medical Record Revenue	673		
30	IV 8	Miscellaneous Revenue	229		
27	12D	Interest on Credit Card	136		
27	12D	Interest on Use Tax	87		
27	12D	Interest on Personal Property Tax	211		
27	12D	Interest on Water Bill	599		
27	12D	Interest on Bed Tax	4,307		
27	12D	Interest on Realty Expense	12,150		
Total Other Adjustments			\$ 18,543	\$ -	\$ -

Schedule of Unallowable Building Interest

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
Total Unallowable Building Interest			\$ -	\$ -	\$ -

88 Clark Operating, LLC
Disallowance Schedule for Cable TV
September 30, 2019

	<u>Amount</u>	
Total Cable TV Expense acct # 80-232-00	\$ 14,440	TB Linked
Monthly Allowable amount	\$ 300	
Months in Cost Report Year	<u>12</u>	
Total Allowable Cost	\$ 3,600	
Full Year Cost Report (365 out of 365 Days)	<u>100%</u>	
Revised Allowable Cost	\$ 3,600	
Disallowed Cable TV	<u><u>\$ 10,840</u></u>	

F. Statement of Revenue

Name of Facility 88 Clark Operating, LLC d/b/a New Lonc 1048C		License No.		Report for Year Ended 9/30/2019		Page 30	of 37
Item				Total	CCNH	RHNS	(Specify)
I. Resident Room, Board & Routine Care Revenue							
1. a. Medicaid Residents (<i>CT only</i>)				\$ 5,583,287	5,583,287		
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>)				\$ 2,937,498	2,937,498		
b. Medicare Room and Board Contractual Allowance **				\$ (53,744)	(53,744)		
4. a. Private-Pay Residents and Other				\$ 1,827,146	1,827,146		
b. Private-Pay Room and Board Contractual Allowance **				\$ (2,797)	(2,797)		
II. Other Resident Revenue							
1. a. Prescription Drugs - Medicare				\$ 219,678	219,678		
b. Prescription Drugs - Medicare Contractual Allowance **				\$ (219,678)	(219,678)		
c. Prescription Drugs - Non-Medicare				\$ 11,216	11,216		
d. Prescription Drugs - Non-Medicare Contractual Allowance **				\$ (11,216)	(11,216)		
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				\$ 391,906	391,906		
b. Physical Therapy - Medicare Contractual Allowance **				\$ (320,699)	(320,699)		
c. Physical Therapy - Non-Medicare				\$ 41,878	41,878		
d. Physical Therapy - Non-Medicare Contractual Allowance **				\$ (37,007)	(37,007)		
4. a. Speech Therapy - Medicare				\$ 241,211	241,211		
b. Speech Therapy - Medicare Contractual Allowance **				\$ (172,970)	(172,970)		
c. Speech Therapy - Non-Medicare				\$ 26,440	26,440		
d. Speech Therapy - Non-Medicare Contractual Allowance **				\$ (23,515)	(23,515)		
5. a. Occupational Therapy - Medicare				\$ 460,829	460,829		
b. Occupational Therapy - Medicare Contractual Allowance **				\$ (403,784)	(403,784)		
c. Occupational Therapy - Non-Medicare				\$ 36,503	36,503		
d. Occupational Therapy - Non-Medicare Contractual Allowance **				\$ (32,192)	(32,192)		
6. a. Other (<i>Specify</i>) - Medicare				\$ 2,391	2,391		
b. Other (<i>Specify</i>) - Non-Medicare				\$ 165,762	165,762		
III. Total Resident Revenue (Section I. thru Section II.)				\$ 10,668,143	10,668,143		
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>)				\$ 2	2		
6. Private Duty Nurses' Fees				\$			
7. Barber, Coffee, Beauty and Gift shops				\$			
8. Other (<i>Specify</i>)				\$ 47,643	47,643		
V. Total Other Revenue (1 thru 8)				\$ 47,645	47,645		
VI. Total All Revenue (III + V)				\$ 10,715,788	10,715,788		

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

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

Schedule of Other Resident Revenue - Medicare

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 II 6a	Other Ancillary Rev>Medicare B	\$ 3,236		
30 II 6a	Revenue Adjustments>Medicare A	(845)		
Total Other Resident Revenue - Medicare		\$ 2,391	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 II 6b	Other Ancillary Revenue>Private	\$ (482)		
30 II 6b	Other Ancillary Rev>HMO	157		
30 II 6b	Other Ancillary Rev>HMO>C/A	(157)		
30 II 6b	Other Ancillary Rev>Equip Rental	775		
30 II 6b	Other Ancillary Rev>Oxygen	(561)		
30 II 6b	Revenue Adjustments>Hospice	2,068		
30 II 6b	Revenue Adjustments>Medicaid	163,962		
Total Other Resident Revenue		\$ 165,762	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
30 IV 5	Interest from Insurance for Late Payment	N/A	\$ 2		
Total Interest Income			\$ 2	\$ -	\$ -

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 IV 8	Other Rev>Misc (Disallowed on Pg 29a)	\$ 229		
30 IV 8	Other Rev>Food (Disallowed on Pg 29a)	126		
30 IV 8	Other Rev>Bounced Check Fee (Disallowed on Pg 29a)	25		
30 IV 8	Other Rev>Medical Records (Disallowed on Pg 29a)	673		
30 IV 8	Sales and Use Tax Credit (No Current Year Expense Associated)	90		
30 IV 8	Cash Out Refinancing (No Associated Expense - Claimed for Reimbursement)	46,500		
Total Other Revenue		\$ 47,643	\$ -	\$ -

G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New Lo	1048C	9/30/2019	31	37
Account			Amount	
Assets				
A. Current Assets				
1. Cash (<i>on hand and in banks</i>)			\$	166,780
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,449,579
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	(65,223)
a. _____				
b. _____				
c. _____				
d. See Schedule		(65,223)		
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (<i>itemize</i>)			\$	

See Schedule				
A-9. Total Current Assets (Lines A1 thru 8)			\$	1,551,136
B. Fixed Assets				
1. Land			\$	
2. Land Improvements	*Historical Cost	26,130	\$	
	Accum. Depreciation	26,130		Net
3. Buildings	*Historical Cost	2,610,535	\$	495,307
	Accum. Depreciation	2,115,228		Net
4. Leasehold Improvements	*Historical Cost	_____	\$	
	Accum. Depreciation	_____		Net
5. Non-Movable Equipment	*Historical Cost	92,905	\$	
	Accum. Depreciation	92,905		Net
6. Movable Equipment	*Historical Cost	1,472,410	\$	77,542
	Accum. Depreciation	1,394,868		Net
7. Motor Vehicles	*Historical Cost	_____	\$	
	Accum. Depreciation	_____		Net
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (<i>itemize</i>)			\$	(236,372)
F/S vs C/R NBV		(299,127)		
See Schedule		62,755		
B-10. Total Fixed Assets (Lines B1 thru 9)			\$	336,477

* 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
88 Clark Operating, LLC d/b/a New Lot	1048C	9/30/2019	32	37
Account			Amount	
Total Brought Forward:			\$	1,887,613
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	_____		
	Accum. Depreciation	_____	Net	\$
6. Motor Vehicles				
	*Historical Cost	_____		
	Accum. Depreciation	_____	Net	\$
7. Minor Equipment-Not Depreciable			\$	
C-8 Total Leasehold or Like Properties (C1 thru 7)			\$	
D. Investment and Other Assets				
1. Deferred Deposits			\$	8,245
2. Escrow Deposits			\$	43,149
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>)			\$	1,674,353
Name and Address	Amount	Loan Date		
Due from Salmon, Sky View, TSM, Saugus, Twin Oaks, MHR, WH, RCMG, RC Holding, NL, NL	1,674,353			
7. Other Assets (<i>itemize</i>)			\$	33,783
Due to/(From)>Vendor		8,271		
Deferred Financing Costs - Refinancing		25,512		
See Schedule				
D-8. Total Investments and Other Assets (Lines D1 thru 7)			\$	1,759,530
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)			\$	3,647,143

* 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
88 Clark Operating, LLC d/b/a New London St		1048C	9/30/2019	33	37
Account				Amount	
Liabilities					
A. Current Liabilities					
1. Trade Accounts Payable				\$	848,590
2. Notes Payable (<i>itemize</i>)				\$	250,000
Note Payable>LOC					250,000
_____ _____ _____ See Schedule					
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>)				\$	283,837
5. Accrued Payroll (<i>Owners and/or Stockholders only</i>)				\$	
6. Accrued Payroll Taxes Payable				\$	2,157
7. Medicare Final Settlement Payable				\$	5,253
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>)				\$	378,097
Accrued Expenses		315,492	Accrued Expenses>Work	53,013	
Accrued Expenses>Capital Lease>C		(6,355)			
Accrued Expenses>Insurance - Propri		3,969			
Accrued Expenses>Year End Adjust		11,978	See Schedule		
A-13. Total Current Liabilities (Lines A1 thru 12)				\$	1,767,934

* 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 88 Clark Operating, LLC d/b/a New London		License No. 1048C	Report for Year Ended 9/30/2019	Page 34	of 37
Account				Amount	
Total Brought Forward:				1,767,934	
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>)				\$ 1,324,430	
Name and Address of Lender	Amount	Loan Date			
Mplwood, Torr, NH, Prospect, Wtrbry, Norw, Realty Norw, NL, EE	1,324,430				
4. Other Long-Term Liabilities (<i>itemize</i>)				\$ 96,813	
Due To/(From)>Hospice		87			
Due To/(From)>Medicaid		89,249			
Due To>Old Owner		7,477			
See Schedule					
B-5. Total Long-Term Liabilities (Lines B1 thru 4)				\$ 1,421,243	
C. Total All Liabilities (Lines A-13 + B-5)				\$ 3,189,177	

Schedule of Prepaid Expenses Page 31 Line A5

Page Ref	Line Ref	Description	
31	A5	Prepaid Expenses	\$ 9,061
31	A5	Prepaid Expenses>Rent	(168,007)
31	A5	Prepaid Expenses>Insurance	5,618
31	A5	Prepaid Expenses>Taxes	21,811
31	A5	Prepaid Expenses>Workers Comp	66,294
Total Prepaid Expenses			\$ (65,223)

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

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

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

Page Ref	Line Ref	Description	
31	B9	Fixed Assets>CIP	\$ 62,755
Total Other Fixed Assets (Itemize)			\$ 62,755

Schedule of Other Assets Page 32 Line D7

Page Ref	Line Ref	Description	
Total Other Assets			\$ -

Schedule of Notes Payable (Itemize) Page 33 Line A2

Page Ref	Line Ref	Description	
Total Notes Payable			\$ -

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

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

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

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

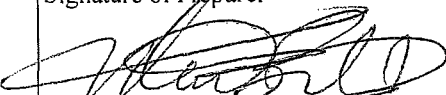
G. Balance Sheet (cont'd)
Reserves and Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
88 Clark Operating, LLC d/b/a New L	1048C	9/30/2019	35	37
Account			Amount	
A. Reserves				
1. Reserve for value of leased land			\$	
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized			\$	
3. Reserve for depreciation value of leased personal property (<i>Equity</i>)			\$	
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			\$	
B. Net Worth				
1. Owner's Capital			\$	(155,000)
2. Capital Stock			\$	
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	144,985
6. Gain or Loss for Period 10/1/2018 thru 9/30/2019			\$	467,981
7. Total Net Worth			\$	457,966
C. Total Reserves and Net Worth			\$	457,966
D. Total Liabilities, Reserves, and Net Worth			\$	3,647,143

H. Changes in Total Net Worth

Name of Facility 88 Clark Operating, LLC d/b/a New Long	License No. 1048C	Report for Year Ended 9/30/2019	Page 36	of 37
Account			Amount	
A. Balance at End of Prior Period as shown on Report of 09/30/2018			\$	126,121
B. Total Revenue (From Statement of Revenue Page 30)			\$	10,715,788
C. Total Expenditures (From Statement of Expenditures Page 27)			\$	10,247,807
D. Net Income or Deficit			\$	467,981
E. Balance			\$	594,102
F. Additions				
1. Additional Capital Contributed (itemize)				
Expenses Per Page 27	\$10,301,651			
F/S vs C/R Depreciation	(53,844)			
Expenses Per F/S	\$10,247,807			
2. Other (itemize)				
To Adjust for Different Fiscal Year End	(136,136)			
F-3. Total Additions			\$	(136,136)
G. Deductions				
1. Drawings of Owners/Operators/Partners (Specify)			\$	
Name and Address (No., City, State, Zip)	Title	Amount		
2. Other Withdrawings (Specify)			\$	
Purpose	Amount			
3. Total Deductions			\$	
H. Balance at End of Period			\$	457,966
	09/30/19			

I. Preparer's/Reviewer's Certification

Name of Facility 88 Clark Operating, LLC d/b/a New		License No. 1048C	Report for Year Ended 9/30/2019	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 type="checkbox"/> (Specify)	
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 1/28/20	
Printed Name of Preparer Matthew S. Bovolack					
Address Address 555 Long Wharf Drive, New Haven, CT 06511				Phone Number 203-781-9600	
Contacted Person Regarding Additional Information Needed Regarding This Report Yael Zabłudowski				Phone Number 732-961-8571	
Contact Email Address yaelz@ltccs.com					

ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing for the year ended September 30, 2019, included in the accompanying prescribed form. We have prepared the Cost Report in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services. The Cost Report was prepared in conformity with regulations prescribed by The State of CT Department of Social Services (DSS) from data provided to us by the management of 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing. 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 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing 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
January 25, 2020

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

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

Facility Name 88 Clark Operating, LLC d/b/a New London Sub-Acute and Nursing

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 prior year? If not, explain the reporting change.

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: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

18. Were all discrepancies on the Error Page addressed?

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____

Yes No

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

Explanation: _____
