

State of Connecticut
Department of Social Services

Nursing Facility Narrative Summary of Expenditures
To be Filed with the Annual Report of Long Term Care Facility

Per LCO No. 8976, beginning with the cost report year ending on September 30, 2023, and annually thereafter, each nursing facility, as defined in section 19a-490 of the general statutes, shall submit to the Commissioner of Social Services narrative summaries of expenditures in addition to the cost reports required pursuant to section 17b-340 of the general statutes, as amended by this act. The summaries shall include profit and loss statements for the preceding three cost report years, total revenues, total expenditures, total assets, total liabilities, short-term debt, long-term debt and cash flows from investing, operating and financing activities.

You must submit this summary (data requested below) along with a written narrative explaining the data and profit and loss statements for the preceding three cost years.

Facility Name Marlborough Health Care Center, Inc.

Facility Address 85 Stage Harbor Road
Marlborough, CT 06447

Provider Number 75064

Individual Completing this Summary Benjamin Goodman
Email Address bgoodman@nathealthcare.com

	9/30/2023	9/30/2022	9/30/2021
Total Expenditures	14,878,526	12,682,010	10,906,610
Total Revenue	13,106,146	12,503,901	11,138,119
Total Assets	5,430,766	4,936,593	5,139,278
Total Liabilities	5,241,659	3,453,589	3,478,319
Short-term debt	87,722	84,736	81,859
Long-term debt	3,271,057	2,012,975	2,070,290
Cash Flows from Investing	(281,152)	(277,224)	(226,851)
Cash Flows from Operating	347,151	(285,257)	(331,878)
Cash Flows from Financing	(91,548)	0	0

Marlborough

The combination of the following influenced significant changes in the facility's balance sheet, profit and loss as well as cash flows between the 2021 and 2023 operating years. An accounting change resulted in balance sheet changes between 2022 and 2023 because of the facility's adoption of FASB ASC 841 which resulted in the recognition of a right of use asset of and an operating lease liability of \$2,172,094 as of October 1, 2022 (impacting both asset and liabilities).

During the Pandemic, there were CARES Act Provider Relief Funds recognized by the facility (\$658,539 in 2021, \$53,425 in 2022), the facility recognized \$559,769 as part of the Employee Retention Tax Credit which was listed under other receivables until such time as funds were received, impacting balance sheet and revenues during the 2022/2023 periods.

In addition to the increased cost of labor during the 2021-2023 period, resulting in higher operating expenses each year, the facility implemented an enhanced health benefits package that resulted in increase in employee health expense of \$339,016 from 2022 to 2023 (increased cost and participation) as well as having implemented a 10% defined contribution plan on July 1, 2022 for its staff, resulting in increased retirement expense from \$17,057 in 2021 to \$335,343 in 2023. Lastly, a water line break in the building during the 2023 fiscal year resulted in a need to take bed off line during year, to allow for repairs and renovations, which accounts for the operating loss in 2023. The loss will be mitigated by a business interruption claim which has yet to be finalized.

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