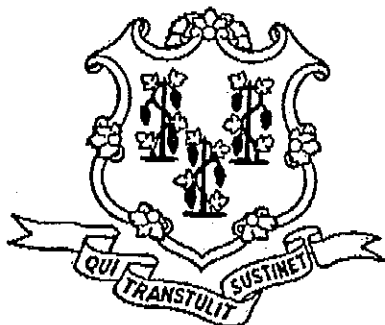
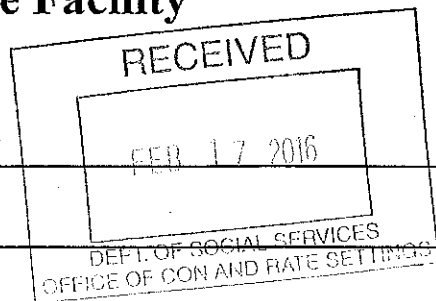


# State of Connecticut



15-72

## Annual Report of Long-Term Care Facility Cost Year 2015



|  |                                     |
|--|-------------------------------------|
| Name of Facility (as licensed)<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center   |                                     |
| Address (No. & Street, City, State, Zip Code)<br>100 Randolph Road Middletown, CT 06457  |                                     |
| 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 type="checkbox"/> (Specify) |                                     |
| Report for Year Beginning<br>10/1/2014   | Report for Year Ending<br>9/30/2015 |

|                  |              |      |           |                                  |
|------------------|--------------|------|-----------|----------------------------------|
| License Numbers: | CCNH<br>2263 | RHNS | (Specify) | Medicare Provider No.<br>07-5106 |
|------------------|--------------|------|-----------|----------------------------------|

|                            |              |      |        |
|----------------------------|--------------|------|--------|
| Medicaid Provider Numbers: | CCNH<br>2263 | RHNS | ICF-MR |
|----------------------------|--------------|------|--------|

**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)<br>Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center | License No.<br>2263 | Report for Year Ended<br>9/30/2015 | Page<br>1 | of<br>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 Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center [facility name] for the cost report period beginning October 01, 2014 and ending September 30, 2015, 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 penalties 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.

|   |                  |                 |   |                           |      |
|---|------------------|-----------------|---|---------------------------|------|
| Signed (Administrator)<br><i>Elizabeth Schmeizl</i>                 |                  | Date<br>2/10/16 | Signed (Owner)<br><i>Lawrence Santilli</i>          |                           | Date |
| Printed Name (Administrator)<br>Elizabeth Schmeizl                  |                  |                 | Printed Name (Owner)<br>Lawrence Santilli           |                           |      |
| Subscribed and Sworn to before me:                                  | State of<br>Conn | Date<br>2/10/16 | Signed (Notary Public)<br><i>James J. Chrusciel</i> | Comm. Expires<br>03/31/20 |      |
| Address of Notary Public<br>76 Christine Dr<br>Southington CT 06489 |                  |                 |   |                           |      |

(Notary Seal)



**MYERS AND  
STAUFFER** LLC  
CERTIFIED PUBLIC ACCOUNTANTS

December 11, 2013

Mr. Michael E. Mosier  
Chief Financial Officer  
Athena Health Care Systems  
135 South Road  
Farmington, CT 06032

Subject: Alternative Annual Report Approval

Dear Mr. Mosier:

This letter is a follow-up to your verbal approval regarding your request for alternative annual report utilization. We have reviewed your request for approval of the Athena Health Care Systems version of the 2013 Annual Report for the State of Connecticut. Based on our review, your version of the annual report has been approved.

It is not necessary to request approval on an annual basis. This approval will remain in effect until modifications have been made to the Annual Report by the Department of Social Services. The provider community will be notified should such changes occur. At that time, you will be required to submit a new request for approval based on the modified annual report:

Should you have any questions, please feel free to contact me at (860) 687-0790.

Sincerely,

Brittany L. Hester, Administrative Assistant

CC: Claudette B. Pickens, CPA  
CC: Chris Lavigne

DEDICATED TO GOVERNMENT HEALTH PROGRAMS

7 Waterside Crossing, Ste 202 | Windsor, CT 06095  
PH 860.687.0790 | PH 855.716.9377 | FX 860.687.0810  
www.mslc.com

State of Connecticut  
**Department of Social Services**  
 25 Sigourney Street, Hartford, Connecticut 06106

| Data Required for Real Wage Adjustment   |                                |                   | Page<br>1A | of<br>37  |
|--|--------------------------------|-------------------|------------|-----------|
| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center | Period Covered:                | From              | To         |           |
|  |                                | 10/1/2014         | 9/30/2015  |           |
| Address of Facility<br>100 Randolph Road Middletown, CT 06457                                  |                                |                   |            |           |
| Report Prepared By<br>Athena Health Care Associates, Inc                                       | Phone Number<br>(860) 751-3900 | Date<br>2/10/2016 |            |           |
| 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. <i>Total Wages Paid</i> ..... \$  |                                |                   |            |           |
| 7. Total salaries paid..... \$   |                                |                   |            |           |
| 8. <i>Total Wages and Salaries Paid</i> (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<br><b>860-344-0353</b>  |                     | Report for Year Ended<br><b>09/30/15</b>  | Page<br><b>2</b> | of<br><b>37</b>                         |
| Name of Facility (as shown on license)<br><b>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center</b>   |                     | Address (No. & Street, City, State, Zip)<br><b>100 Randolph Road Middletown, CT 06457</b> |                  |   |
| License Numbers:  | CCNH<br><b>2263</b> | RHNS  | (Specify)        | Medicare Provider No.<br><b>07-5106</b> |
| 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="checkbox"/> PROPRIETORSHIP <input checked="" type="checkbox"/> LLC <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> PROFIT CORP. <input type="checkbox"/> NON-PROFIT CORP. <input type="checkbox"/> GOVERNMENT <input type="checkbox"/> 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="checkbox"/> Yes <input checked="" type="checkbox"/> No      If "Yes," explain fully.  |                     |   |                  |   |
|   |                     |   |                  |   |
|   |                     |   |                  |   |
|   |                     |   |                  |   |
|   |                     |   |                  |   |
| <b>Administrator</b>  |                     |   |                  |   |
| Name of Administrator<br><b>Amy Pellerin</b>  |                     | Nursing Home Administrator's License No.:   | <b>1577</b>      |   |
| Other Operators/Owners who are assistant administrators (full or part time) of this facility.   |                     |   |                  |   |
| Name  |                     | License No.:  |                  |   |
|   |                     |   |                  |   |
|   |                     |   |                  |   |
| <b>Not Applicable</b>   |                     |   |                  |   |
|   |                     |   |                  |   |

## General Information and Questionnaire Partners/Members

| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center |   | License No.<br>2263  | Report for Year Ended<br>9/30/2015 | Page<br>3  | of<br>37 |
|---|---|--|------------------------------------|--|----------|
| Legal Name of Partnership/LLC<br>Athena Middlesex, LLC  |   | Business Address<br>100 Randolph Rd,<br>Middletown, CT 06457 |                                    | State(s) and/or Town(s) in<br>Which Registered<br>CT |          |
| Name of Partners/Members  | Business Address                        | Title  | % Owned                            |  |          |
| Lawrence G Santilli   | 135 South Road, Farmington, CT<br>06032 | Managing Member  | 17.6250%                           |  |          |
| Middlesex CCH Group,<br>LLC   | 135 South Road, Farmington, CT<br>06032 | Member   | 46.7500%                           |  |          |
| 1995 Donna Reis Family<br>Trust   | 19 Post Rd East, Westport, CT 06880     | Member   | 15.0000%                           |  |          |
| L & F Schwartz Family<br>Limited Partnership  | 3 Shirecrest, Avon, CT 06001            | Member   | 3.0000%                            |  |          |
| Chakalos Nursing Homes<br>LLC   | 135 South Road, Farmington, CT<br>06032 | Member   | 17.6250%                           |  |          |
|   |   |  |                                    |  |          |
|   |   |  |                                    |  |          |
|   |   |  |                                    |  |          |







State of Connecticut  
 Annual Report of Long-Term Care Facility  
 CSP-4 Rev. 10/2005

**General Information and Questionnaire  
 Related Parties\***

| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center  |  | License No.<br>2263                                 | Report for Year Ended<br>9/30/2015 | Page<br>4                              | of<br>37   |                                  |
|---|--|---|------------------------------------|--|--|----------------------------------|
| Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  |   |                                    |  |  |                                  |
| Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  |   |                                    |  |  |                                  |
| If "Yes," provide the Name/Address and complete the information on Page 11 of the report.   |  |   |                                    |  |  |                                  |
| 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 # | Actual Cost to the Related Party |
|   |  | Yes   | No                                 |  |  |                                  |
| Laurel Ridge Health Care Center   | 642 Danbury Rd, Ridgefield, CT 06877           | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | >98%                                   | Interfacility Loan Payable (1,505,000)<br>Pg 33 L A2               | \$6,704                          |
| Laurel Ridge Health Care Center   | 642 Danbury Rd, Ridgefield, CT 06877           | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | >98%                                   | Bank Fees<br>Pg 16 m13   | \$6,704                          |
| Orchard View Manor  | 135 Tripps Lane, East Providence, RI 02915     | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | >98%                                   | Interfacility Loan Payable (\$70,000)<br>Pg 33 A2                  | \$601,721                        |
| Athena Captive LLC  | 135 South Rd, Farmington, CT 06032             | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | >50%                                   | Workers Compensation Captive<br>Pg 15 1a1                          | \$601,721                        |
| Oakland Grove   | 560 Cumberland Hill Road, Woonsocket, RI 02895 | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | >98%                                   | Interfacility Loan Payable (\$80,000)<br>Pg 33 A2                  |                                  |
| Athena Health Care Assoc 401k Plan  | 135 South Rd, Farmington, CT 06032             | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           |  | Facility participates in common 401k plan                          |                                  |
| Athena Health Care  | 135 South Road, Farmington, CT 06032           | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | <50%                                   | See Attached   |                                  |
| Valerie Manor   | 1360 Torrington St, Torrington, CT 06790       | <input checked="" type="checkbox"/>                 | <input type="checkbox"/>           | >98%                                   | Telephone Reimbursement<br>Pg 15 1h1                               | \$43                             |
|   |  | <input type="checkbox"/>                            | <input type="checkbox"/>           | >98%                                   |  |                                  |

\* Use additional sheets if necessary.

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

Middlesex Health Care Center  
 RELATED PARTIES QUESTIONNAIRE  
 PAGE 4

| FACILITY NAME      | ADDRESS                              | Also Provided Goods/Services to Non-Related Parties |                          | Description of Goods/Services Provided   | Indicate Where Costs are Included in Annual Report Page # / Line #                           | Costs Reported | Actual Cost to the Related Party |
|--------------------|--------------------------------------|---|--------------------------|--|--|----------------|----------------------------------|
|                    |                                      | Yes   | No                       |  |  |                |                                  |
| Athena Health Care | 135 South Rd<br>Farmington, CT 06032 | <input checked="" type="checkbox"/>                 | <input type="checkbox"/> | Mgmt Fees, Bank Charges, Temp. Administrator<br>Marketing, Insurance, Gift Certificates, Lobbying<br>Project Development | Pg 16, L m13, P 13<br>L B5a, P 17, P 15, 1g, 1e<br>P 16, m3, P27, 14a 12d<br>P16, 3 Pg 31 B9 | \$728,002      | \$413,333                        |
| Athena Health Care | 135 South Rd<br>Farmington, CT 06032 | <input checked="" type="checkbox"/>                 | <input type="checkbox"/> | Self Insured Employee Health & Dental<br>Insurance   | Pg 15,1  | \$1,052,704    | \$1,052,704                      |

### General Information and Questionnaire Basis for Allocation of Costs

|   |                         |  |               |              |
|---|-------------------------|--|---------------|--------------|
| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center | License No.<br><br>2263 | Report for Year Ended<br><br>9/30/2015 | Page<br><br>5 | of<br><br>37 |
|---|-------------------------|--|---------------|--------------|

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.

**Not Applicable**

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

**Not Applicable**

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.

**Not Applicable: No Non-Nursing Home Cost Centers**

### 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<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health<br>Care Center |   | License No.                         |                             | Report for Year Ended |                  | Page of                      |                   |
|---|---|-------------------------------------|-----------------------------|-----------------------|------------------|------------------------------|-------------------|
|   |   | 2263                                |                             | 9/30/2015             |                  | 6   37                       |                   |
| Name and Address of Lessor  | Related * to<br>Owners,<br>Operators,<br>Officers |                                     | Description of Items Leased | Date of<br>Lease**    | Term of<br>Lease | Annual<br>Amount<br>of Lease | Amount<br>Claimed |
|   | Yes   | No                                  |                             |                       |                  |                              |                   |
| Pitney Bowes, PO Box 371887, Pittsburgh, PA 15250   | <input type="checkbox"/>                          | <input checked="" type="checkbox"/> | Postage Equipment           | 03/11/11              | 51 months        | \$817                        | \$817             |
| Leaf, PO Box 644006, Cincinnati, OH 45264   | <input type="checkbox"/>                          | <input checked="" type="checkbox"/> | Copier                      | 03/06/13              | 48 months        | \$14,127                     | \$14,127          |
| Leaf, PO Box 644006, Cincinnati, OH 45264   | <input type="checkbox"/>                          | <input checked="" type="checkbox"/> | Copier                      | 06/26/13              | 44 months        | \$545                        | \$545             |
| Leaf, PO Box 644006, Cincinnati, OH 45264   | <input type="checkbox"/>                          | <input checked="" type="checkbox"/> | Copier                      | 03/05/14              | 37 months        | \$652                        | \$652             |
| HP Financial Services, 200 Connell Drive, Suite 500,<br>Berkeley Heights, NJ 07922                | <input type="checkbox"/>                          | <input checked="" type="checkbox"/> | PCC Equipment               | 08/21/13              | 60 months        | \$8,204                      | \$8,204           |
|   | <input type="checkbox"/>                          | <input type="checkbox"/>            |                             |                       |                  |                              |                   |
|   | <input type="checkbox"/>                          | <input type="checkbox"/>            |                             |                       |                  |                              |                   |
|   | <input type="checkbox"/>                          | <input type="checkbox"/>            |                             |                       |                  |                              |                   |
|   | <input type="checkbox"/>                          | <input type="checkbox"/>            |                             |                       |                  |                              |                   |
|   |   |                                     |                             |                       |                  | <b>Total ***</b>             | <b>\$24,345</b>   |

Is a Mileage Log Book Maintained for All Leased Vehicles?  Yes  No  Not Applicable - No Vehicles

\* 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 6c.

### General Information and Questionnaire Accounting Basis

|  |                     |                                    |           |          |
|--|---------------------|------------------------------------|-----------|----------|
| Name of Facility<br>Athena Middlesex, LLC of<br>Middletown, CT d/b/a Middlesex | License No.<br>2263 | Report for Year Ended<br>9/30/2015 | Page<br>7 | of<br>37 |
|--|---------------------|------------------------------------|-----------|----------|

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.

**Independent Accounting Firm**

|  |  |
|--|--|
| Name of Accounting Firm<br>1 Dworkin, Hillman, Lamorte & Sterczala<br>2 Dopkins & Company<br>3 Marcum LLP<br>4 | Address (No. & Street, City, State, Zip Code)<br>4 Corporate Dr, Shelton, CT 06484<br>200 International Drive, Buffalo, NY 14221<br>555 Long Wharf Drive 12th Floor, New Haven, CT 06511 |
|--|--|

Services Provided by This Firm (*describe fully*)

|  |           |
|--|-----------|
| 1 2013 Audit, Year End Financials & Tax Return | \$ 17,750 |
| 2 KeyBank Audit (Disallow)                     | \$ 1,912  |
| 3 Medicare Cost Report (Disallow)              | \$ 2,650  |
| 4  | \$ -      |
| <b>Charge for Services Provided</b>            |           |
| \$22,312                                       |           |

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

Yes     No    Pg 15, Line 1d

**Legal Services Information**

|   |  |
|---|--|
| Name of Legal Firm or Independent Attorney<br>1 Murtha Cullina, LLP<br>2 Goldman, Gruder & Woods<br>3 Treasurer State of CT<br>4<br>5 | Telephone Number<br>860-240-6000<br>203-899-8900 |
|---|--|

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

|  |  |
|--|--|
| 1 185 Asylum St, Hartford, CT 06103      |  |
| 2 200 Connecticut Ave, Norwalk, CT 06854 |  |
| 3  |  |
| 4  |  |
| 5  |  |

Services Provided by This Firm (*describe fully*)

|   |           |
|---|-----------|
| 1 Audit Letter \$300 (Allow); Annual Report \$133 (Allow); General Matters \$2464 (Disallow); Loan Modification \$163(Disallow) | \$ 3,060  |
| 2 A/R Collections (Disallowed)  | \$ 27,082 |
| 3 A/R Collections (Disallowed)  | \$ 355    |
| 4   | \$ -      |
| 5   | \$ -      |
| <b>Charge for Services Provided</b>   |           |
| \$30,497  |           |

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

Yes     No    Pg 15, Line 1e

State of Connecticut  
 Annual Report of Long-Term Care Facility  
 CSP-8 Rev. 9/2002

Schedule of Resident Statistics

| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center         | License No.<br>2263 |                  | Report for Year Ended<br>09/30/15 |                       |                |                      | Page<br>8 | of<br>37 |                |
|--|---------------------|------------------|-----------------------------------|-----------------------|----------------|----------------------|-----------|----------|----------------|
|  | Total All Levels    | Total CCNH Level | Total RHNS Level                  | 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.....  | 150                 | 150              |                                   |                       | 150            | 150                  |           |          |                |
| B. On last day of THIS report period.....  | 150                 | 150              |                                   |                       | 150            | 150                  |           |          |                |
| 2. Number of Residents   |                     |                  |                                   |                       |                |                      |           |          |                |
| A. As of midnight of PREVIOUS report period.....   | 136                 | 136              |                                   |                       | 133            | 133                  |           | 136      |                |
| B. As of midnight of THIS report period.....   | 131                 | 131              |                                   |                       | 132            | 132                  |           | 131      |                |
| 3. Total Number of Days Care Provided During Period  |                     |                  |                                   |                       |                |                      |           |          |                |
| A. Medicare.....   | 5,058               | 5,058            |                                   |                       | 3,824          | 3,824                |           | 1,234    |                |
| B. Medicaid (Conn.).....   | 39,370              | 39,370           |                                   |                       | 29,338         | 29,338               |           | 10,032   |                |
| C. Medicaid (other states).....  |                     |                  |                                   |                       |                |                      |           |          |                |
| D. Private Pay.....  | 2,319               | 2,319            |                                   |                       | 1,793          | 1,793                |           | 526      |                |
| E. State SSI for RCH.....  |                     |                  |                                   |                       |                |                      |           |          |                |
| F. Other (Specify) Managed Care  | 1,247               | 1,247            |                                   |                       | 729            | 729                  |           | 518      |                |
| G. Total Care Days During Period (3A thru F).....  | 47,994              | 47,994           |                                   |                       | 35,684         | 35,684               |           | 12,310   |                |
| 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.....   | 111                 | 111              |                                   |                       | 74             | 74                   |           | 37       |                |
| 5. Total Resident Days (3G + 4A + 4B).....   | 48,105              | 48,105           |                                   |                       | 35,758         | 35,758               |           | 12,347   |                |

### Schedule of Resident Statistics (Cont'd)

|   |                         |  |           |          |
|---|-------------------------|--|-----------|----------|
| Name of Facility<br>Athena Middlesex, LLC of Middletown,<br>CT d/b/a Middlesex Health Care Center | License No.<br><br>2263 | Report for Year Ended<br><br>9/30/2015 | Page<br>9 | of<br>37 |
|---|-------------------------|--|-----------|----------|

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<br>(1)     | RHNS<br>(2) | (Specify)<br>(3) | Lost           |     |     | Gained |     |     | CCNH                  | RHNS | (Specify) |                   |
|                |                 |             |                  | (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 | (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          | 10       | 109      |      | 3        |      |           | 9                    |        |
| Per Diem Rate             |          |          |      |          |      |           |                      |        |
| a. One bed rm.            | 519.08   | 207.88   |      | 494.00   |      |           | 359.14               |        |
| b. Two bed rms.           | 519.08   | 207.88   |      | 444.00   |      |           | 359.14               |        |
| c. Three or more bed rms. |          |          |      |          |      |           |                      |        |

| 7. Total Number of Physical Therapy Treatments     | TOTAL  | CCNH   | RHNS | (Specify) |
|--|--------|--------|------|-----------|
| A. Medicare - Part B                               | 5,862  | 5,862  |      |           |
| B. Medicaid (Exclusive of Part B)                  |        |        |      |           |
| 1. Maintenance Treatments                          | 519    | 519    |      |           |
| 2. Restorative Treatments                          |        |        |      |           |
| C. Other   | 13,053 | 13,053 |      |           |
| D. <i>Total Physical Therapy Treatments</i>        | 19,434 | 19,434 |      |           |
| 8. Total Number of Speech Therapy Treatments       |        |        |      |           |
| A. Medicare - Part B                               | 1,309  | 1,309  |      |           |
| B. Medicaid (Exclusive of Part B)                  |        |        |      |           |
| 1. Maintenance Treatments                          | 83     | 83     |      |           |
| 2. Restorative Treatments                          |        |        |      |           |
| C. Other   | 1,699  | 1,699  |      |           |
| D. <i>Total Speech Therapy Treatments</i>          | 3,091  | 3,091  |      |           |
| 9. Total Number of Occupational Therapy Treatments |        |        |      |           |
| A. Medicare - Part B                               | 6,387  | 6,387  |      |           |
| B. Medicaid (Exclusive of Part B)                  |        |        |      |           |
| 1. Maintenance Treatments                          | 499    | 499    |      |           |
| 2. Restorative Treatments                          |        |        |      |           |
| C. Other   | 13,238 | 13,238 |      |           |
| D. <i>Total Occupational Therapy Treatments</i>    | 20,124 | 20,124 |      |           |



**Report of Expenditures - Salaries & Wages**

| Name of Facility   | License No.          | Report for Year Ended | Page | of    |                 |
|--|----------------------|-----------------------|------|-------|-----------------|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center   | 2263                 | 9/30/2015             | 10   | 37    |                 |
| Are time records maintained by all individuals receiving compensation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |                      |                       |      |       |                 |
| Item   | Total Cost and Hours |                       |      |       |                 |
|  | CCNH                 | Hours                 | RHNS | Hours | (Specify) Hours |
| <b>A. Salaries and Wages*</b>  |                      |                       |      |       |                 |
| 1. Operators/Owners (Complete also Sec. I of Schedule A1)  |                      |                       |      |       |                 |
| 2. Administrator(s) (Complete also Sec. III of Schedule A1)  | 133,144              | 2,126                 |      |       |                 |
| 3. Assistant Administrator (Complete also Sec. IV of Schedule A1)  |                      |                       |      |       |                 |
| 4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)   | 201,608              | 9,716                 |      |       |                 |
| 5. Dietary Service   |                      |                       |      |       |                 |
| a. Head Dietitian  |                      |                       |      |       |                 |
| b. Food Service Supervisor   | 54,791               | 2,036                 |      |       |                 |
| c. Dietary Workers   | 409,948              | 29,598                |      |       |                 |
| 6. Housekeeping Service  |                      |                       |      |       |                 |
| a. Head Housekeeper  | 41,389               | 1,623                 |      |       |                 |
| b. Other Housekeeping Workers  | 244,777              | 19,858                |      |       |                 |
| 7. Repairs & Maintenance Services  |                      |                       |      |       |                 |
| a. Engineer or Chief of Maintenance  | 77,975               | 2,106                 |      |       |                 |
| b. Other Maintenance Workers   | 55,810               | 2,569                 |      |       |                 |
| 8. Laundry Service   |                      |                       |      |       |                 |
| a. Supervisor  |                      |                       |      |       |                 |
| b. Other Laundry Workers   | 116,297              | 8,829                 |      |       |                 |
| 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  | 160,302              | 3,041                 |      |       |                 |
| b. RN  |                      |                       |      |       |                 |
| 1. Direct Care   | 477,971              | 13,567                |      |       |                 |
| 2. Administrative**  | 453,488              | 17,790                |      |       |                 |
| c. LPN   |                      |                       |      |       |                 |
| 1. Direct Care   | 1,186,557            | 45,988                |      |       |                 |
| 2. Administrative**  |                      |                       |      |       |                 |
| d. Aides and Attendants  | 1,936,272            | 125,608               |      |       |                 |
| e. Physical Therapists   | 440,497              | 13,482                |      |       |                 |
| f. Speech Therapists   | 82,589               | 2,068                 |      |       |                 |
| g. Occupational Therapists   | 303,005              | 8,698                 |      |       |                 |
| h. Recreation Workers  | 175,210              | 9,636                 |      |       |                 |
| 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  | 190,415              | 7,150                 |      |       |                 |
| n. Marketing   |                      |                       |      |       |                 |
| o. Other (Specify)   |                      |                       |      |       |                 |
| <b>A-13. Total Salary Expenditures</b>   | <b>6,742,045</b>     | <b>325,489</b>        |      |       |                 |

\* 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<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex<br>Health Care Center  | License No.<br>2263 |                   | Report for Year Ended<br>9/30/2015                              |  | Page<br>11               | of<br>37                            |   |                          |                          |
|--|---------------------|-------------------|---|--|--------------------------|-------------------------------------|---|--------------------------|--------------------------|
|  | CCNH                | RHNS<br>(Specify) | Fringe Benefits<br>and/or Other<br>Payments<br>(describe fully) | Full Description of<br>Services Rendered | Total<br>Hours<br>Worked | Line Where<br>Claimed on<br>Page 10 | Name and Address of All<br>Other Employment** | Total<br>Hours<br>Worked | Compensation<br>Received |
| Section I - Operators/Owners   |                     |                   |   |  |                          |                                     |   |                          |                          |
| Not Applicable   |                     |                   |   |  |                          |                                     |   |                          |                          |
| Section II - Other related<br>parties of Operators/Owners<br>employed in and paid by<br>facility (EXCEPT those who<br>may be the Administrator or<br>Assistant Administrators who<br>are identified on Page 12). |                     |                   |   |  |                          |                                     |   |                          |                          |
| Not Applicable   |                     |                   |   |  |                          |                                     |   |                          |                          |
|  |                     |                   |   |  |                          |                                     |   |                          |                          |
|  |                     |                   |   |  |                          |                                     |   |                          |                          |
|  |                     |                   |   |  |                          |                                     |   |                          |                          |
|  |                     |                   |   |  |                          |                                     |   |                          |                          |

\* 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.

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

| Name of Facility (as licensed)<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center |             | License No.<br>2263 | Report for Year Ended<br>9/30/2015                     |   | Page<br>12         | of<br>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)      |  |   |                    |                               |  |                    |                       |
| <b>Section III - Administrators***</b>   |             |                     |  |   |                    |                               |  |                    |                       |
| Amy Pellerin (10/1/14-9/30/15)   | 133,144     |                     | Health & life insurances, Payroll Taxes                | day to day operations of the nursing home facility. | 2,126              | A2                            |  |                    |                       |
| <b>Section IV - Assistant Administrators</b>   |             |                     |  |   |                    |                               |  |                    |                       |
|  |             |                     |  |   |                    |                               |  |                    |                       |
|  |             |                     |  |   |                    |                               |  |                    |                       |
|  |             |                     |  |   |                    |                               |  |                    |                       |
|  |             |                     |  |   |                    |                               |  |                    |                       |
|  |             |                     |  |   |                    |                               |  |                    |                       |
|  |             |                     |  |   |                    |                               |  |                    |                       |

\* 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    |           |       |
|---|----------------|-----------------------|------|-------|-----------|-------|
| Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center   | 2263           | 9/30/2015             | 13   | 37    |           |       |
| <b>Total Cost and Hours</b>   |                |                       |      |       |           |       |
| Item  | CCNH           | Hours                 | RHNS | Hours | (Specify) | Hours |
| <b>*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)</b> |                |                       |      |       |           |       |
| 1. Dietitian.....   | 47,220         | 1,352                 |      |       |           |       |
| 2. Dentist.....   | 8,843          | 138                   |      |       |           |       |
| 3. Pharmacist.....  | 10,469         | 182                   |      |       |           |       |
| 4. Podiatrist.....  |                |                       |      |       |           |       |
| 5. Physical Therapy   |                |                       |      |       |           |       |
| a. Resident Care.....   | 7,865          | 180                   |      |       |           |       |
| b. Other.....   |                |                       |      |       |           |       |
| 6. Social Worker.....   |                |                       |      |       |           |       |
| 7. Recreation Worker.....   |                |                       |      |       |           |       |
| 8. Physicians   |                |                       |      |       |           |       |
| a. Medical Director (entire facility).....  | 50,400         | 452                   |      |       |           |       |
| b. Utilization Review (Title 18 and 19 only) monthly meeting  |                |                       |      |       |           |       |
| c. Resident Care**.....   | 19,657         | 36                    |      |       |           |       |
| d. Administrative Services facility   |                |                       |      |       |           |       |
| 1. Infection Control Committee (Quarterly meetings)   |                |                       |      |       |           |       |
| 2. Pharmaceutical Committee (Quarterly meetings)  |                |                       |      |       |           |       |
| 3. Staff Development Committee (Once annually)  |                |                       |      |       |           |       |
| e. Other (Specify)<br>See Attached Schedule   | 400            | 4                     |      |       |           |       |
| 9. Speech Therapist   |                |                       |      |       |           |       |
| a. Resident Care.....   | 5,910          | 17                    |      |       |           |       |
| b. Other.....   |                |                       |      |       |           |       |
| 10. Occupational Therapist  |                |                       |      |       |           |       |
| a. Resident Care.....   |                |                       |      |       |           |       |
| b. Other.....   |                |                       |      |       |           |       |
| 11. Nurses and aides and attendants   |                |                       |      |       |           |       |
| a. RN   |                |                       |      |       |           |       |
| 1. Direct Care  |                |                       |      |       |           |       |
| 2. Administrative***  | 2,488          | 32                    |      |       |           |       |
| b. LPN  |                |                       |      |       |           |       |
| 1. Direct Care  |                |                       |      |       |           |       |
| 2. Administrative***  |                |                       |      |       |           |       |
| c. Aides.....   |                |                       |      |       |           |       |
| d. Other.....   |                |                       |      |       |           |       |
| 12. Other (Specify)<br>See Attached Schedule  |                |                       |      |       |           |       |
| <b>B-13 Total Fees Paid in Lieu of Salaries</b>   | <b>153,252</b> | <b>2,393</b>          |      |       |           |       |

\* 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<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex<br>Health Care Center |                             | License No.<br>2263                         | Report for Year Ended<br>9/30/2015  | Page<br>14                  | of<br>37 |
|---|-----------------------------|---|-------------------------------------|-----------------------------|----------|
| Name & Address of Individual  | Full Explanation of Service | Related** to Owners,<br>Operators, Officers |                                     | Explanation of Relationship |          |
|   |                             | Yes   | No                                  |                             |          |
| Dr. Tangarorang/CT Multispecialty, 2110 Silas Deane Highway, Rocky Hill, CT 06067                 | Asst Medical Director       | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Wilfred Elaba/CT Multispecialty, 2110 Silas Deane Highway, Rocky Hill, CT 06067                   | Medical Director            | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Alisha Sanzone, 104 Campville Rd, Northfield, CT 06778  | Dietician                   | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Swallowing Diagnostics, PO Box 484, Avon, CT 06001  | Speech Therapy              | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Gerident Solutions, LLC, PO Box 290539, Wethersfield, CT 06129                                    | Dentist                     | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Athena Health Care Systems 135 South Road, Farmington, CT 06032                                   | MDS Fill In                 | <input checked="" type="checkbox"/>         | <input type="checkbox"/>            | Common Owners               |          |
| HealthDrive Eye Care Group, 888 Worcester Street, Wellesley, MA 02482                             | Physician                   | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Debra Morelli, 444 Reservoir Rd, Wethersfield, CT 06109   | Dietician                   | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Stephanie Owens, 15 4th Ave, Waterford, CT 06385  | Dietician                   | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Dr Prakash Huded, 78 Marlborough St, Portland, CT 06480   | Medical Staff               | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Omnicare Inc, PO Box 715268, Cincinnati, OH 4321  | Pharmacist                  | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Middlesex Cardiology, 420 Saybrook Rd, Middletown, CT 06457                                       | Physician                   | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
| Access Therapies/APF, POBox 823461, Philadelphia, PA 19182  | Physical Therapist          | <input type="checkbox"/>                    | <input checked="" type="checkbox"/> |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |
|   |                             | <input type="checkbox"/>                    | <input type="checkbox"/>            |                             |          |

\* 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 |
|--|--------------|-----------------------|------|-----------|----|
| Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center  | 2263         | 9/30/2015             |      | 15        | 37 |
| Item   | Total        | CCNH                  | RHNS | (Specify) |    |
| <b>1. Administrative and General</b>   |              |                       |      |           |    |
| <b>a. Employee Health &amp; Welfare Benefits</b>   |              |                       |      |           |    |
| 1. Workmen's Compensation.....   | \$ 601,721   | 601,721               |      |           |    |
| 2. Disability Insurance.....   | \$           |                       |      |           |    |
| 3. Unemployment Insurance.....   | \$ 236,063   | 236,063               |      |           |    |
| 4. Social Security (F.I.C.A.).....   | \$ 501,077   | 501,077               |      |           |    |
| 5. Health Insurance.....   | \$ 913,661   | 913,661               |      |           |    |
| 6. Life Insurance (employees only)<br>(not-owners and not-operators).....  | \$           |                       |      |           |    |
| 7. Pensions (Non-Discriminatory)<br>(not-owners and not-operators).....  | \$ 21,516    | 21,516                |      |           |    |
| 8. Uniform Allowance.....  | \$           |                       |      |           |    |
| 9. Other ( <i>Specify</i> ).....<br>See Attached Schedule  | \$           |                       |      |           |    |
| <b>b. Personal Retirement Plans, Pensions, and<br/>       Profit Sharing Plans for Owners and<br/>       Operators (Discriminatory)* .....</b> | \$           |                       |      |           |    |
| c. Bad Debts*.....   | \$ 6,674     | 6,674                 |      |           |    |
| d. Accounting and Auditing.....  | \$ 22,312    | 22,312                |      |           |    |
| e. Legal ( <i>Services should be fully described on Page 7</i> )   | \$ 30,497    | 30,497                |      |           |    |
| f. Insurance on Lives of Owners and<br>Operators ( <i>Specify</i> )*.....  | \$           |                       |      |           |    |
| g. Office Supplies.....  | \$ 53,907    | 53,907                |      |           |    |
| h. Telephone and Cellular Phones.....  |              |                       |      |           |    |
| 1. Telephone & Pagers.....   | \$ 33,957    | 33,957                |      |           |    |
| 2. Cellular Phones.....  | \$ 385       | 385                   |      |           |    |
| i. Appraisal ( <i>Specify purpose and<br/>       attach copy</i> )*.....   | \$           |                       |      |           |    |
| j. Corporation Business Taxes ( <i>franchise tax</i> ).<br>k. Other Taxes ( <i>Not related to property - See Page 22</i> )                     | \$           |                       |      |           |    |
| 1. Income*.....  | \$ 495       | 495                   |      |           |    |
| 2. Other ( <i>Specify</i> )<br>See Attached Schedule   | \$           |                       |      |           |    |
| 3. Resident Day User Fee   | \$ 904,848   | 904,848               |      |           |    |
| <b>Subtotal</b>  | \$ 3,327,113 | 3,327,113             |      |           |    |

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

(Carry Subtotals forward to next page)





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

| Name of Facility   | License No.         | Report for Year Ended |      | Page      | of |
|--|---------------------|-----------------------|------|-----------|----|
| Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center  | 2263                | 9/30/2015             |      | 16        | 37 |
| Item   | Total               | CCNH                  | RHNS | (Specify) |    |
| <b>Subtotals Brought Forward:</b>  | 3,327,113           | 3,327,113             |      |           |    |
| <b>l. Travel and Entertainment</b>   |                     |                       |      |           |    |
| 1. Resident Travel and Entertainment.....  | \$                  |                       |      |           |    |
| 2. Holiday Parties for Staff.....  | \$ 7,449            | 7,449                 |      |           |    |
| 3. Gifts to Staff and Residents.....   | \$ 26,432           | 26,432                |      |           |    |
| 4. Employee Travel.....  | \$ 3,938            | 3,938                 |      |           |    |
| 5. Education Expenses Related to Seminars and Conventions  | \$ 8,622            | 8,622                 |      |           |    |
| 6. Automobile Expense (not purchase or depreciation).....  | \$                  |                       |      |           |    |
| 7. Other (Specify).....<br>See Attached Schedule   | \$                  |                       |      |           |    |
| <b>m. Other Administrative and General Expenses</b>  |                     |                       |      |           |    |
| 1. Advertising Help Wanted (all such expenses).....  | \$ 3,375            | 3,375                 |      |           |    |
| 2. Advertising Telephone Directory (all such expenses)***  | \$ 2,236            | 2,236                 |      |           |    |
| 3. Advertising Other (Specify)***.....<br>See Attached Schedule  | \$ 60,902           | 60,902                |      |           |    |
| 4. Fund-Raising***.....  | \$                  |                       |      |           |    |
| 5. Medical Records.....  | \$                  |                       |      |           |    |
| 6. Barber and Beauty Supplies (if this service is supplied<br>directly and not by contract or fee for service)***..... | \$                  |                       |      |           |    |
| 7. Postage.....  | \$ 8,475            | 8,475                 |      |           |    |
| * 8. Dues and Membership Fees to Professional<br>Associations (Specify)<br>See Attached Schedule                       | \$ 10,364           | 10,364                |      |           |    |
| 8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***  | \$                  |                       |      |           |    |
| 9. Subscriptions.....  | \$ 195              | 195                   |      |           |    |
| 10. Contributions***<br>See Attached Schedule  | \$                  |                       |      |           |    |
| 11. Services Provided by Contract (Specify and Complete<br>Schedule C-2, Page 21 for each firm or individual)          | \$                  |                       |      |           |    |
| 12. Administrative Management Services**.....  | \$ 403,627          | 403,627               |      |           |    |
| 13. Other (Specify)<br>See Attached Schedule   | \$ 153,708          | 153,708               |      |           |    |
| <b>C-14 Total Administrative &amp; General Expenditures</b>  | <b>\$ 4,016,436</b> | <b>4,016,436</b>      |      |           |    |

\* 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) |
|---|------|------|-----------|
|   |      |      |           |
|   |      |      |           |
|   |      |      |           |
|   |      |      |           |
| <b>Total Other Travel and Entertainment</b> | \$ - | \$ - | \$ -      |

Schedule of Other Advertising

| Description                    | CCNH      | RHNS | (Specify) |
|--------------------------------|-----------|------|-----------|
| Promotional                    | \$ 60,902 |      |           |
|                                |           |      |           |
|                                |           |      |           |
| <b>Total Other Advertising</b> | \$ 60,902 | \$ - | \$ -      |

Schedule of Dues

| Description                         | CCNH      | RHNS | (Specify) |
|-------------------------------------|-----------|------|-----------|
| ALTCFM                              | \$ 80     |      |           |
| CT Assoc. of Health Care Facilities | \$ 10,174 |      |           |
| AANAC                               | \$ 110    |      |           |
|                                     |           |      |           |
|                                     |           |      |           |
|                                     |           |      |           |
| <b>Total Dues</b>                   | \$ 10,364 | \$ - | \$ -      |

Schedule of Contributions

| Description                | CCNH | RHNS | (Specify) |
|----------------------------|------|------|-----------|
|                            |      |      |           |
|                            |      |      |           |
|                            |      |      |           |
| <b>Total Contributions</b> | \$ - | \$ - | \$ -      |

Schedule of Other Administrative and General

| Description                                   | CCNH       | RHNS | (Specify) |
|---|------------|------|-----------|
| Lobbying Fees                                 | \$ 5,023   |      |           |
| Licenses                                      | \$ 1,190   |      |           |
| Bank Charges                                  | \$ 6,704   |      |           |
| Payroll Processing Fees                       | \$ 23,656  |      |           |
| Employee Physicals & Background Checks        | \$ 20,296  |      |           |
| Temp/AR Help                                  | \$ 27,458  |      |           |
|   |            |      |           |
| Data Processing Fees                          | \$ 17,070  |      |           |
| Compliance Consulting                         | \$ 52,311  |      |           |
|   |            |      |           |
| <b>Total Other Administrative and General</b> | \$ 153,708 | \$ - | \$ -      |

**Schedule C-1 - Management Services\***

| Name of Facility  | License No.                       | Report for Year Ended                       | Page of  |
|---|-----------------------------------|---|--|
| Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center | 2263                              | 9/30/2015                                   | 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 # |
| Athena Health Care Assoc., Inc<br>135 South Road<br>Farmington, CT 06032      | \$540,491                         | Contract Attached to a<br>Prior Year        | See Below  |
| Allocation of the above   | \$356,724<br>\$86,479<br>\$97,288 | Admin/Gen 66%<br>Indirect 16%<br>Direct 18% | Pg 16, Line 12<br>Pg 18, Line 2C<br>Pg 20, Line 5J               |
| Athena Health Care Assoc., Inc<br>135 South Rd<br>Farmington, CT 06032        | \$46,903                          | Admin/Gen - Other Exp                       | Pg 16 Line 12  |
|   |                                   |   |  |
|   |                                   |   |  |
|   |                                   |   |  |

\* 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 |
|---|---|--|--------------------------------|-----------|----|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center  | 2263                                    | 9/30/2015                              |                                | 18        | 37 |
| Item  | Total                                   | CCNH                                   | RHNS                           | (Specify) |    |
| 2. Dietary  |   |  |                                |           |    |
| a. In-House Preparation & Service   |   |  |                                |           |    |
| 1. Raw Food.....  | \$ 308,042                              | 308,042                                |                                |           |    |
| 2. Non-Food Supplies.....   | \$ 44,345                               | 44,345                                 |                                |           |    |
| 3. Other (Specify) _____  | \$ _____                                |  |                                |           |    |
| b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)                     | \$ _____                                |  |                                |           |    |
| c. Management Services**.....   | \$ 86,479                               | 86,479                                 |                                |           |    |
| d. Other (Specify) _____  | \$ _____                                |  |                                |           |    |
| <b>2E. Total Dietary Expenditures (2a + b + c + d)</b>  | <b>\$ 438,866</b>                       | <b>438,866</b>                         |                                |           |    |
| 2F. Dietary Questionnaire   | Total                                   | CCNH                                   | RHNS                           | (Specify) |    |
| G. Resident Meals: Total no. of meals served per day:*  | 394                                     | 394                                    |                                |           |    |
| H. Is cost of employee meals included in 2E?  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |                                |           |    |
| I. Did you receive revenue from employees?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No | If yes, specify amount.        |           |    |
| 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="checkbox"/> Yes | <input type="checkbox"/> No            | If yes, specify cost. = \$5276 |           |    |
| L. Is any revenue collected from these people?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No | If yes, specify amount.        |           |    |
| 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="checkbox"/> Yes            | <input checked="" type="checkbox"/> No | If yes, specify cost.          |           |    |
| O. Is any revenue collected from employees?   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No | If yes, specify amount.        |           |    |
| 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<br>Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center |  | License No.<br>2263          | Report for Year Ended<br>9/30/2015     | Page<br>19              | of<br>37  |
|---|--|------------------------------|--|-------------------------|-----------|
| Item  |  | Total                        | CCNH                                   | RHNS                    | (Specify) |
| 3.  | Laundry  |                              |  |                         |           |
|   | a. In-House Processing*  | Lbs.                         |  |                         |           |
|   | 1. Bed linens, cubicle curtains, draperies,<br>gowns and other resident care items<br>washed, ironed, and/or processed.*** | Amt. \$                      |  |                         |           |
|   | 2. Employee items including uniforms,<br>gowns, etc. washed, ironed and/or<br>processed.***                                | Lbs.                         |  |                         |           |
|   |  | Amt. \$                      |  |                         |           |
|   | 3. Personal clothing of residents<br>washed, ironed, and/or processed.***  | Lbs.                         |  |                         |           |
|   |  | Amt. \$                      |  |                         |           |
|   | 4. Repair and/or purchase of linens.***  | Lbs.                         |  |                         |           |
|   |  | Amt. \$                      | 21,280                                 | 21,280                  |           |
|   | b. Purchased Services (by contract other<br>than through Management Services)<br>(Complete Schedule C-2 att. Page 21)      | \$                           |  |                         |           |
|   | c. Management Services**.....  | \$                           |  |                         |           |
|   | d. Other (Specify)<br>Supplies = \$11,632  | \$                           | 11,632                                 | 11,632                  |           |
| 3E.   | <b>Total Laundry Expenditures (3a + b + c + d)</b>   | \$                           | 32,912                                 | 32,912                  |           |
| 3F.   | Laundry Questionnaire  |                              |  |                         |           |
| G.  | Is cost of employee laundry included in 3E?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | If yes, specify cost.   |           |
| H.  | Did you receive revenue from employees?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | If yes, specify amount. |           |
| I.  | Where is the revenue received reported in the Cost Report?   | (Page/Line Item)             |  |                         |           |
| J.  | Is Cost of laundry provided to persons other than<br>employees or residents included in 3E?                                | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | If yes, specify cost.   |           |
| K.  | Did you receive revenue from these people?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | If yes, specify amount. |           |
| 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        |
|--|-------------------------------|-------------|-----------------------|----------------|------|-----------|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center   |                               | 2263        | 9/30/2015             |                | 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.                          | \$          | 37,184                | 37,184         |      |           |
| b. Purchased Services ( <i>by contract other than through Management Services</i> )<br>( <i>Complete Schedule C-2 att. Page 21</i> ) | Sq. Ft. Serviced by Personnel |             |                       |                |      |           |
|  | Amt.                          | \$          |                       |                |      |           |
| c. Management Services*  |                               | \$          |                       |                |      |           |
| d. Other ( <i>Specify</i> )  |                               | \$          |                       |                |      |           |
| <b>4E. Total Housekeeping Expenditures (4a + b + c + d)...</b>   |                               | \$          | <b>37,184</b>         | <b>37,184</b>  |      |           |
| 5. Resident Care (Supplies)**  |                               |             |                       |                |      |           |
| a. Prescription Drugs***   |                               |             |                       |                |      |           |
| 1. Own Pharmacy.....   |                               | \$          |                       |                |      |           |
| 2. Purchased from<br>Omni Care   |                               | \$          | 347,276               | 347,276        |      |           |
| b. Medicine Cabinet Drugs.....   |                               | \$          | 1,962                 | 1,962          |      |           |
| c. Medical and Therapeutic Supplies.....   |                               | \$          | 277,253               | 277,253        |      |           |
| d. Ambulance/Limousine***.....   |                               | \$          | 25,927                | 25,927         |      |           |
| e. Oxygen  |                               |             |                       |                |      |           |
| 1. For Emergency Use.....  |                               | \$          |                       |                |      |           |
| 2. Other***.....   |                               | \$          | 43,017                | 43,017         |      |           |
| f. X-rays and Related Radiological<br>Procedures***.....   |                               | \$          | 42,661                | 42,661         |      |           |
| g. Dental ( <i>Not dentists who should be included under salaries or fees</i> ).....   |                               | \$          |                       |                |      |           |
| h. Laboratory***.....  |                               | \$          | 20,869                | 20,869         |      |           |
| i. Recreation.....   |                               | \$          | 14,828                | 14,828         |      |           |
| j. Other (Specify)****<br>See Attached Schedule  |                               | \$          | 184,929               | 184,929        |      |           |
| <b>5K. Total Resident Care Expenditures (5a - 5j).....</b>   |                               | \$          | <b>958,722</b>        | <b>958,722</b> |      |           |

\* 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   |                                       | License No.                               | Report for Year Ended               | Page of                               |         |                |    |      |
|--|---------------------------------------|---|-------------------------------------|---------------------------------------|---------|----------------|----|------|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center |                                       | 2263                                      | 9/30/2015                           | 21 37                                 |         |                |    |      |
| Name of Individual or Company  | Address                               | Related ** to Owners, Operators, Officers |                                     | Full Explanation of Service Provided* | CCNH    | RHNS (Specify) | Pg | Line |
|  |                                       | Yes                                       | No                                  |                                       |         |                |    |      |
| Winterberry Gardens  | 2070 West St, Southington, CT 06489   | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Groundskeeping                        | 14,641  |                | 22 | 6f   |
| ADP  | 225 Second Ave Waltham MA 02454       | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Payroll Processing                    | 18,445  |                | 16 | m13  |
| Ct Waste Processing, LLC   | 25 Norton Place, Plainville, CT 06062 | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Rubbish Removal                       | 28,330  |                | 22 | 6f   |
| Omnicare/Value Health Care   | Knoffter Drive, Cheshire, CT 06410    | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Pharmacy Drugs                        | 339,914 |                | 20 | 5a2  |
| Pro Landscaping & Desing LLC   | 256 Tuttle Rd, Middletown, CT 06457   | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Snow Removal                          | 16,197  |                | 22 | 6f   |
| Harmony Healthcare   | 430 Boston Rd, Topshfield, MA 01983   | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Compliance Consulting                 | 32,311  |                | 16 | m13  |
| Celtic Consulting  | PO Box 148, Goshen, CT 06756          | <input type="checkbox"/>                  | <input checked="" type="checkbox"/> | Compliance Consulting                 | 20,000  |                | 16 | m13  |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |
|  |                                       | <input type="checkbox"/>                  | <input type="checkbox"/>            |                                       |         |                |    |      |

\* 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 |
|--|-------------|-----------------------|------|-----------|---------|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center                     | 2263        | 9/30/2015             |      |           | 22   37 |
| Item   | Total       | CCNH                  | RHNS | (Specify) |         |
| 6. Maintenance & Operation of Plant  |             |                       |      |           |         |
| a. Repairs & Maintenance..... \$   | 100,562     | 100,562               |      |           |         |
| b. Heat..... \$  | 103,867     | 103,867               |      |           |         |
| c. Light & Power..... \$   | 89,668      | 89,668                |      |           |         |
| d. Water..... \$   | 68,415      | 68,415                |      |           |         |
| e. Equipment Lease (Provide detail on page 6)..... \$  | 24,345      | 24,345                |      |           |         |
| f. Other (itemize)..... \$   | 82,825      | 82,825                |      |           |         |
| See Attached Schedule  |             |                       |      |           |         |
| 6g. Total Maint. & Operating Expense (6a - 6f)..... \$   | 469,682     | 469,682               |      |           |         |
| 7. Depreciation (complete schedule page 23*)   |             |                       |      |           |         |
| a. Land Improvements..... \$   | 5,573       | 5,573                 |      |           |         |
| b. Building & Building Improvements..... \$  | 281,115     | 281,115               |      |           |         |
| c. Non-Movable Equipment..... \$   | 26,742      | 26,742                |      |           |         |
| d. Movable Equipment..... \$   | 101,631     | 101,631               |      |           |         |
| *7e. Total Depreciation Costs (7a + b + c + d)..... \$   | 415,061     | 415,061               |      |           |         |
| 8. Amortization (Complete att. Schedule Page 24*)  |             |                       |      |           |         |
| a. Organization Expense..... \$  |             |                       |      |           |         |
| b. Mortgage Expense..... \$  | 3,728       | 3,728                 |      |           |         |
| c. Leasehold Improvements..... \$  |             |                       |      |           |         |
| d. Other (Specify)..... \$   |             |                       |      |           |         |
| *8e. Total Amortization Costs (8a + b + c + d)..... \$   | 3,728       | 3,728                 |      |           |         |
| 9. Rental payments on leased real property less real estate taxes included in item 10b..... \$ |             |                       |      |           |         |
| 10. Property Taxes   |             |                       |      |           |         |
| a. Real estate taxes paid by owner..... \$   | 93,339      | 93,339                |      |           |         |
| b. Real estate taxes paid by lessor..... \$  |             |                       |      |           |         |
| c. Personal property taxes..... \$   | 15,233      | 15,233                |      |           |         |
| 11. Total Property Expenses (7e + 8e + 9 + 10)..... \$   | 527,361     | 527,361               |      |           |         |

\* 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) |
|--|-----------|------|-----------|
| Groundskeeping                             | \$ 14,641 |      |           |
| Rubbish Removal                            | \$ 28,330 |      |           |
| Snow Removal                               | \$ 16,197 |      |           |
| Supplies                                   | \$ 23,657 |      |           |
|  |           |      |           |
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|  |           |      |           |
| <b>Total Other Repairs and Maintenance</b> | \$ 82,825 | \$ - | \$ -      |



Schedule of Land Improvements Acquired during this report period

| Acquisition Date                             | Description of Item | Cost | Useful Life | Depreciation |
|--|---------------------|------|-------------|--------------|
| <b>Additions:</b>                            |                     |      |             |              |
|  |                     |      |             |              |
|  |                     |      |             |              |
|  |                     |      |             |              |
|  |                     |      |             |              |
| <b>Total additions for Land Improvements</b> |                     | \$ - |             | \$ -         |
| <b>Deletions:</b>                            |                     |      |             |              |
|  |                     |      |             |              |
|  |                     |      |             |              |
|  |                     |      |             |              |
|  |                     |      |             |              |
| <b>Total deletions for Land Improvements</b> |                     | \$ - |             | \$ -         |

\*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 |
|--|---|-----------|-------------|--------------|
| <b>Additions:</b>                                |   |           |             |              |
| Nov-14   | Legacy Fire Protection-Motor for Fire System    | \$ 1,955  | 5           | \$ 196       |
| Nov-14   | Carpetworks-Vinyl Tile                          | \$ 6,647  | 10          | \$ 332       |
| Jan-15   | Carpetworks-Vinyl Tile                          | \$ 1,064  | 10          | \$ 53        |
| Feb-18   | Raintech-Nurses Call Station                    | \$ 29,621 | 10          | \$ 1,481     |
| Mar-15   | State Wide Electric-Outlets for Steam Table     | \$ 1,188  | 10          | \$ 59        |
| Jun-15   | Emerald Resources-Wanderguard System/Door       | \$ 6,349  | 10          | \$ 317       |
| Jul-15   | Raintech-Nurses Call Station add'l installation | \$ 2,733  | 10          | \$ 137       |
|  |   |           |             |              |
|  |   |           |             |              |
| <b>Total additions for Building Improvements</b> |   | \$ 49,557 |             | \$ 2,576     |
| <b>Deletions:</b>                                |   |           |             |              |
|  |   |           |             |              |
|  |   |           |             |              |
|  |   |           |             |              |
|  |   |           |             |              |
| <b>Total deletions for Building Improvements</b> |   | \$ -      |             | \$ -         |

\*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 |
|--|--|----------|-------------|--------------|
| <b>Additions:</b>                                |  |          |             |              |
| Jan-15   | Modern Mechanical Sys-Kitchen Exhaust Moto | \$ 1,882 | 5           | \$ 188       |
|  |  |          |             |              |
|  |  |          |             |              |
|  |  |          |             |              |
| <b>Total additions for Non-Movable Equipment</b> |  | \$ 1,882 |             | \$ 188       |
| <b>Deletions:</b>                                |  |          |             |              |
|  |  |          |             |              |
|  |  |          |             |              |
|  |  |          |             |              |
|  |  |          |             |              |
| <b>Total deletions for Non-Movable Equipment</b> |  | \$ -     |             | \$ -         |

\*Ties to Page 23, Line C3

\*\*Ties to Page 23, Line C2





**Amortization Schedule\***

| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health<br>Care Center | License No.<br>2263               |                        | Report for Year Ended<br>9/30/2015 |  | Page<br>24 | of<br>37 |
|---|-----------------------------------|------------------------|------------------------------------|--|------------|----------|
|   | Date of Acquisition<br>Month Year | Length of Amortization | Cost to Be Amortized               | Accumulated Amort. to Beginning of Year's Operations |            |          |
| <b>A. Organization Expense</b>  |                                   |                        |                                    |  |            |          |
| 1.  |                                   |                        |                                    |  |            |          |
| 2.  |                                   |                        |                                    |  |            |          |
| 3.  |                                   |                        |                                    |  |            |          |
| A-4. Subtotal.....  |                                   |                        |                                    |  |            |          |
| <b>B. Mortgage Expense</b>  |                                   |                        |                                    |  |            |          |
| 1. Finance Fees-HUD Mortgage  | 9                                 | 2011                   | 35 yrs                             | 13,049   | SL         | 2.86%    |
| 2. Finance Fees-Refinance   |                                   |                        |                                    |  |            |          |
| 3.  |                                   |                        |                                    |  |            |          |
| B-4. Subtotal.....  |                                   |                        |                                    |  |            | 3,728    |
| <b>C. Leasehold Improvements and Other (Specify)</b>  |                                   |                        |                                    |  |            |          |
| 1. Acquired prior to this report period   |                                   | 2014                   | Various                            |  |            | Var      |
| 2. Disposals (attach schedule)  |                                   |                        |                                    |  |            |          |
| 3. Acquired during this report period (attach schedule)   |                                   | 2015                   | Various                            |  |            | Var      |
| C-4. Subtotal.....  |                                   |                        |                                    |  |            |          |
| <b>D. Total Amortization</b> .....  |                                   |                        |                                    |  |            | 3,728    |

\* 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<br>Athena Middlesex, LLC of Middletown, CT d/b/a<br>Middlesex Health Care Center   | License No.<br>2263 | Report for Year Ended<br>9/30/2015 | Page<br>25  | of<br>37               |                     |
| <b>11. Property Questionnaire</b>   |                     |                                    |   |                        |                     |
| <b>Part A</b>   |                     |                                    |   |                        |                     |
| Is the property either owned by the Facility or leased from a Related Party*? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |                     |                                    |   |                        |                     |
|   |                     |                                    | If "Yes," complete Part B.<br>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  |                     | 03/07/02                           |   |                        |                     |
| 4. Date of Initial Licensure  |                     | 03/07/02                           |   |                        |                     |
| 5. Total Licensed Bed Capacity  |                     | 150                                |   |                        |                     |
| 6. Square Footage   |                     |                                    |   |                        |                     |
| 7. Acquisition Cost   |                     |                                    |   |                        |                     |
| a. Land   |                     | 65,200                             |   |                        |                     |
| b. Building   |                     | 5,400,000                          |   |                        |                     |
| <b>Part B - Owner and Related Parties</b>   |                     | <b>1st Mortgage</b>                | <b>2nd Mortgage</b>                                     | <b>3rd Mortgage</b>    | <b>4th Mortgage</b> |
| 1. Financing  |                     |                                    |   |                        |                     |
| a. Type of Financing (e.g., fixed, variable)  |                     | Fixed                              |   |                        |                     |
| b. Date Mortgage Obtained   |                     | 03/29/11                           |   |                        |                     |
| c. Interest Rate for the Cost Year  |                     | 4.32%                              |   |                        |                     |
| d. Term of Mortgage (number of years)   |                     | 35                                 |   |                        |                     |
| e. Amount of Principal Borrowed   |                     | 8,023,900                          |   |                        |                     |
| f. Principal balance outstanding as of 9/30/2015  |                     | 7,546,125                          |   |                        |                     |
| <b>Complete if Mortgage was Refinanced During Current Cost Year</b>   |                     |                                    |   |                        |                     |
| 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   |                     |                                    |   |                        |                     |
| <b>Part C - Arms-Length Leases for Real Property Improvements Only</b>  |                     |                                    |   |                        |                     |
| 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<br>Athena Middlesex, LLC of Middletown,<br>CT d/b/a Middlesex Health Care Center |  | License No.<br>2263 | Report for Year Ended<br>9/30/2015 |      |           | Page<br>26 | of<br>37 |
|---|--|---------------------|------------------------------------|------|-----------|------------|----------|
| Item  |  | Total               | CCNH                               | RHNS | (Specify) |            |          |
| 12. Interest  |  |                     |                                    |      |           |            |          |
| A. Building, Land Improvement & Non-Movable<br>Equipment  |  |                     |                                    |      |           |            |          |
| 1. First Mortgage.....  |  | \$ 381,434          | 381,434                            |      |           |            |          |
| Name of Lender  |  | Rate                |                                    |      |           |            |          |
| Key Bank  |  | 4.23%               |                                    |      |           |            |          |
| Address of Lender   |  |                     |                                    |      |           |            |          |
| 8115 Preston Rd Suite 500, Dallas, TX 75225   |  |                     |                                    |      |           |            |          |
| 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)   |  | \$ 381,434          | 381,434                            |      |           |            |          |

(Carry Subtotals forward to next page)

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

| Name of Facility<br>Athena Middlesex, LLC of<br>Middletown, CT d/b/a Middlesex<br>Health Care Center |  | License No.<br><br>2263 |        | Report for Year Ended<br><br>9/30/2015 |            |      | Page<br>27   37 of |  |
|--|--|-------------------------|--------|--|------------|------|--------------------|--|
| Item   |  |                         |        | Total                                  | CCNH       | RHNS | (Specify)          |  |
| Subtotals Brought Forward:   |  |                         |        | 381,434                                | 381,434    |      |                    |  |
| 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<br>Expense (C1 + 2)..... \$                               |  |                         |        |  |            |      |                    |  |
| 12. D. Other Interest Expense (Specify)..... \$  |  |                         |        | 47,416                                 | 47,416     |      |                    |  |
| Vender Interest = (\$15,902); Line of Credit Interest = \$63,318                                     |  |                         |        |  |            |      |                    |  |
| 13. Total All Interest Expense (12B7 + 12C3 + 12D)..... \$   |  |                         |        | 428,850                                | 428,850    |      |                    |  |
| 14. Insurance  |  |                         |        |  |            |      |                    |  |
| a. Insurance on Property (buildings only)..... \$  |  |                         |        | 105,460                                | 105,460    |      |                    |  |
| b. Insurance on Automobiles..... \$  |  |                         |        |  |            |      |                    |  |
| c. Insurance other than Property (as specified above)  |  |                         |        |  |            |      |                    |  |
| 1. Umbrella (Blanket Coverage)..... \$   |  |                         |        |  |            |      |                    |  |
| 2. Fire and Extended Coverage..... \$  |  |                         |        |  |            |      |                    |  |
| 3. Other (Specify)..... \$   |  |                         |        |  |            |      |                    |  |
| 14d. Total Insurance Expenditures (14a + b + c)...   |  |                         |        | \$ 105,460                             | 105,460    |      |                    |  |
| 15. Total All Expenditures (A-13 thru C-14)..... \$  |  |                         |        | 13,910,770                             | 13,910,770 |      |                    |  |

**D. Adjustments to Statement of Expenditures**

| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center |          |           | License No.<br>2263   | Report for Year Ended<br>9/30/2015 | Page<br>28 | of<br>37 |           |
|--|----------|-----------|---|------------------------------------|------------|----------|-----------|
| Item No.   | Page No. | Line No.  | Item Description  | Total Amount of Decrease           | CCNH       | RHNS     | (Specify) |
| <b>Page 10 - Salaries and Wages</b>  |          |           |   |                                    |            |          |           |
| 1.   |          |           | Outpatient Service Costs.....   | \$                                 |            |          |           |
| 2.   |          |           | Salaries not related to Resident Care....   | \$                                 |            |          |           |
| 3.   | 10       | A12g      | Occupational Therapy.....   | \$ 303,005                         | 303,005    |          |           |
| 4.   | Var      | Var       | Other - See attached Schedule.....  | \$ 24,105                          | 24,105     |          |           |
| <b>Page 13 - Professional Fees</b>   |          |           |   |                                    |            |          |           |
| 5.   | 13       | B8c       | Resident Care Physicians **.....  | \$ 19,657                          | 19,657     |          |           |
| 6.   |          |           | Occupational Therapy.....   | \$                                 |            |          |           |
| 7.   |          |           | Other - See attached Schedule.....  | \$                                 |            |          |           |
| <b>Pages 15 &amp; 16 - Administrative and General</b>  |          |           |   |                                    |            |          |           |
| 8.   |          |           | Discriminatory Benefits.....  | \$                                 |            |          |           |
| 9.   | 15       | 1c        | Bad Debts.....  | \$ 6,674                           | 6,674      |          |           |
| 10.  | 15       | 1d&e      | Accounting & Legal.....   | \$ 34,626                          | 34,626     |          |           |
| 11.  |          |           | Telephone.....  | \$                                 |            |          |           |
| 12.  | 15       | 1h2       | Cellular Telephone.....   | \$ 25                              | 25         |          |           |
| 13.  |          |           | Life insurance premiums on the life of Owners, Partners, Operators.....   | \$                                 |            |          |           |
| 14.  | 16       | 13        | Gifts, flowers and coffee shops.....  | \$ 26,432                          | 26,432     |          |           |
| 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 *.....  | \$ 63,138                          | 63,138     |          |           |
| 19.  | 15       | 1j&kkl &2 | Income Tax / Corporate Business Tax...  | \$ 495                             | 495        |          |           |
| 20.  |          |           | Fund Raising / Contributions.....   | \$                                 |            |          |           |
| 21.  | 16       | m12       | Unallowable Management Fees.....  | \$ 207,682                         | 207,682    |          |           |
|  | 18       | 2c        |   | \$ 50,347                          | 50,347     |          |           |
|  | 20       | 5j        |   | \$ 56,640                          | 56,640     |          |           |
| 22.  |          |           | Barber and Beauty.....  | \$                                 |            |          |           |
| 23.  | Var      | Var       | Other - See attached Schedule.....  | \$ 64,038                          | 64,038     |          |           |
| <b>Page 18 - Dietary Expenditures</b>  |          |           |   |                                    |            |          |           |
| 24.  | 18       | 2a1       | Meals to employees, guests and others who are not residents.....  | \$ 5,276                           | 5,276      |          |           |
| <b>Page 19 - Laundry Expenditures</b>  |          |           |   |                                    |            |          |           |
| 25.  | 19       | 3d        | Laundry services to employees, guests and others who are not residents.....   | \$                                 |            |          |           |
| <b>Page 20 - Housekeeping Expenditures</b>   |          |           |   |                                    |            |          |           |
| 26.  | 20       | 4d        | Housekeeping services to employees and others who are not residents.....  | \$                                 |            |          |           |
| Subtotal (Items 1 - 26)  |          |           |   | \$ 862,140                         | 862,140    |          |           |

\* 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.



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

| Name of Facility   |  |          | License No.   | Report for Year Ended    | Page      | of   |           |
|--|--|----------|---|--------------------------|-----------|------|-----------|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center |  |          | 2263  | 9/30/2015                | 29        | 37   |           |
| Item No.   | Page No.   | Line No. | Item Description  | Total Amount of Decrease | CCNH      | RHNS | (Specify) |
| Subtotals Brought Forward  |  |          |   | \$ 862,140               | 862,140   |      |           |
| <b>Page 20 - Resident Care Supplies***</b>                                 |  |          |   |                          |           |      |           |
| 27.  | 20   | 5a1&2    | Prescription Drugs.....   | \$ 347,276               | 347,276   |      |           |
| 28.  | 20   | 5d       | Ambulance/Limousine.....  | \$ 25,927                | 25,927    |      |           |
| 29.  | 20   | 5f       | X-rays, etc.....  | \$ 42,661                | 42,661    |      |           |
| 30.  | 20   | 5h       | Laboratory.....   | \$ 20,869                | 20,869    |      |           |
| 31.  | 20   | 5c       | Medical Supplies.....   | \$ 15,302                | 15,302    |      |           |
| 32.  | 20   | 5e2      | Oxygen (non emergency).....   | \$ 43,017                | 43,017    |      |           |
| 33.  |  |          | Occupational Therapy.....   | \$                       |           |      |           |
| 34.  | Var  | Var      | Other - See Attached Schedule.....  | \$ 11,029                | 11,029    |      |           |
| <b>Page 22 - Maintenance and Property</b>                                  |  |          |   |                          |           |      |           |
| 35.  | Var  | Var      | Excess Movable Equipment Depreciation<br>See Attached Schedule.....                                     | \$ 14,222                | 14,222    |      |           |
| 36.  |  |          | Depreciation on Unallowable<br>Motor Vehicles.....  | \$                       |           |      |           |
| 37.  |  |          | Unallowable Property and Real<br>Estate Taxes.....  | \$                       |           |      |           |
| 38.  |  |          | Rental of Building Space or Rooms.....  | \$                       |           |      |           |
| 39.  |  |          | Other - See Attached Schedule.....  | \$                       |           |      |           |
| <b>Page 27 - Insurance</b>   |  |          |   |                          |           |      |           |
| 40.  |  |          | Mortgage Insurance.....   | \$                       |           |      |           |
| 41.  |  |          | Property Insurance.....   | \$                       |           |      |           |
| <b>Other - Miscellaneous</b>   |  |          |   |                          |           |      |           |
| 42.  |  |          | Research or Experimental Activities....   | \$                       |           |      |           |
| 43.  | 20   | 5j       | Radio and Television Revenue.....   | \$ 13,450                | 13,450    |      |           |
| 44.  |  |          | Vending Machine Revenue.....  | \$                       |           |      |           |
| 45.  |  |          | Purchase Discounts and Allowances....   | \$                       |           |      |           |
| 46.  |  |          | Duplications of functions or services....   | \$                       |           |      |           |
| 47.  |  |          | Expenditures made for the protection,<br>enhancement or promotion of the<br>providers interest.....     | \$                       |           |      |           |
| 48.  | 30   | iv5      | Interest Income on Accounts Rec.....  | \$ 83                    | 83        |      |           |
| 49.  |  |          | Other (include personnel and other<br>costs unrelated to resident care) - See<br>Attached Schedule..... | \$                       |           |      |           |
| <b>Not For Profit Providers Only</b>                                       |  |          |   |                          |           |      |           |
| 50.  | Var  | Var      | Building/Non Movable Eq. Depreciation<br>Unallowable Building Interest -<br>See Attached Schedule.....  | \$                       |           |      |           |
| 51.  | <b>Total Amount of Decrease (Items 1 - 50)</b> ..... |          |   | \$ 1,395,976             | 1,395,976 |      |           |

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

Schedule of Other Ancillary Costs

| Page Ref                           | Line Ref | Description              | CCNH      | RHNS | (Specify) |
|------------------------------------|----------|--------------------------|-----------|------|-----------|
| 20                                 | 5j       | Medical Equipment Rental | 11,029    |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
|                                    |          |                          |           |      |           |
| <b>Total Other Ancillary Costs</b> |          |                          | \$ 11,029 | \$   | \$        |

Schedule of Excess Movable Equipment Depreciation

| Page Ref   | Line Ref | Description                 | CCNH   | RHNS | (Specify) |
|--|----------|-----------------------------|--------|------|-----------|
| 22   | 7d       | Carryforward Move Equip A/E | 14,222 |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
|  |          |                             |        |      |           |
| <b>Total Excess Movable Equipment Depreciation</b> |          |                             | 14,222 |      |           |

Schedule of Other Property Adjustments

| Page Ref                                | Line Ref | Description | CCNH | RHNS | (Specify) |
|---|----------|-------------|------|------|-----------|
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
|   |          |             |      |      |           |
| <b>Total Other Property Adjustments</b> |          |             |      |      |           |

Schedule of Other Adjustments

| Page Ref                       | Line Ref | Description | CCNH | RHNS | (Specify) |
|--------------------------------|----------|-------------|------|------|-----------|
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
|                                |          |             |      |      |           |
| <b>Total Other Adjustments</b> |          |             | \$   | \$   | \$        |







**F. Statement of Revenue**

| Name of Facility  | License No.          | Report for Year Ended |      |           | Page | of |
|---|----------------------|-----------------------|------|-----------|------|----|
| Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center | 2263                 | 9/30/2015             |      |           | 30   | 37 |
| Item  | Total                | CCNH                  | RHNS | (Specify) |      |    |
| <b>I. Resident Room, Board &amp; Routine Care Revenue</b>                     |                      |                       |      |           |      |    |
| 1. a. Medicaid Residents ( <i>CT only</i> ).....                              | \$ 17,404,745        | 17,404,745            |      |           |      |    |
| b. Medicaid Room and Board Contractual Allowance **.....                      | \$ (9,225,550)       | (9,225,550)           |      |           |      |    |
| 2. a. Medicaid ( <i>All other states</i> ).....                               | \$                   |                       |      |           |      |    |
| b. Other States Room and Board Contractual Allowance **.....                  | \$                   |                       |      |           |      |    |
| 3. a. Medicare Residents ( <i>all inclusive</i> ).....                        | \$ 1,796,366         | 1,796,366             |      |           |      |    |
| b. Medicare Room and Board Contractual Allowance **.....                      | \$ 123,330           | 123,330               |      |           |      |    |
| 4. a. Private-Pay Residents and Other.....                                    | \$ 2,048,553         | 2,048,553             |      |           |      |    |
| b. Private-Pay Room and Board Contractual Allowance **.....                   | \$ (83,709)          | (83,709)              |      |           |      |    |
| <b>II. Other Resident Revenue</b>   |                      |                       |      |           |      |    |
| 1. a. Prescription Drugs - Medicare.....                                      | \$ 230,220           | 230,220               |      |           |      |    |
| b. Prescription Drugs - Medicare Contractual Allowance **.....                | \$                   |                       |      |           |      |    |
| c. Prescription Drugs - Non-Medicare.....                                     | \$ 153,025           | 153,025               |      |           |      |    |
| d. Prescription Drugs - Non-Medicare Contractual Allowance **.....            | \$ (153,025)         | (153,025)             |      |           |      |    |
| 2. a. Medical Supplies - Medicare.....  | \$ 302               | 302                   |      |           |      |    |
| b. Medical Supplies - Medicare Contractual Allowance **.....                  | \$ (151)             | (151)                 |      |           |      |    |
| c. Medical Supplies - Non-Medicare.....                                       | \$ 2,050             | 2,050                 |      |           |      |    |
| d. Medical Supplies - Non-Medicare Contractual Allowance **.....              | \$ (2,050)           | (2,050)               |      |           |      |    |
| 3. a. Physical Therapy - Medicare.....  | \$ 653,529           | 653,529               |      |           |      |    |
| b. Physical Therapy - Medicare Contractual Allowance **.....                  | \$ (497,360)         | (497,360)             |      |           |      |    |
| c. Physical Therapy - Non-Medicare.....                                       | \$ 196,935           | 196,935               |      |           |      |    |
| d. Physical Therapy - Non-Medicare Contractual Allowance **.....              | \$ (196,935)         | (196,935)             |      |           |      |    |
| 4. a. Speech Therapy - Medicare.....  | \$ 215,178           | 215,178               |      |           |      |    |
| b. Speech Therapy - Medicare Contractual Allowance **.....                    | \$ (150,591)         | (150,591)             |      |           |      |    |
| c. Speech Therapy - Non-Medicare.....   | \$ 67,789            | 67,789                |      |           |      |    |
| d. Speech Therapy - Non-Medicare Contractual Allowance **.....                | \$ (67,789)          | (67,789)              |      |           |      |    |
| 5. a. Occupational Therapy - Medicare.....                                    | \$ 726,705           | 726,705               |      |           |      |    |
| b. Occupational Therapy - Medicare Contractual Allowance **.....              | \$ (545,314)         | (545,314)             |      |           |      |    |
| c. Occupational Therapy - Non-Medicare.....                                   | \$ 218,854           | 218,854               |      |           |      |    |
| d. Occupational Therapy - Non-Medicare Contractual Allowance **.....          | \$ (218,854)         | (218,854)             |      |           |      |    |
| 6. a. Other ( <i>Specify</i> ) - Medicare.....                                | \$                   |                       |      |           |      |    |
| b. Other ( <i>Specify</i> ) - Non-Medicare.....                               | \$ 4,478             | 4,478                 |      |           |      |    |
| <b>III Total Resident Revenue (Section I.thru Section II.).....</b>           | <b>\$ 12,700,731</b> | <b>12,700,731</b>     |      |           |      |    |
| <b>IV. Other Revenue*</b>   |                      |                       |      |           |      |    |
| 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> ).....                                    | \$ 506               | 506                   |      |           |      |    |
| 6. Private Duty Nurses' Fees.....   | \$                   |                       |      |           |      |    |
| 7. Barber, Coffee, Beauty and Gift shops.....                                 | \$                   |                       |      |           |      |    |
| 8. Other ( <i>Specify</i> ).....  | \$ 10,549            | 10,549                |      |           |      |    |
| <b>V. Total Other Revenue (1 thru 8).....</b>                                 | <b>\$ 11,055</b>     | <b>11,055</b>         |      |           |      |    |
| <b>VI. Total All Revenue (III + V).....</b>                                   | <b>\$ 12,711,786</b> | <b>12,711,786</b>     |      |           |      |    |

\* 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<br>Page Ref                        | Description | CCNH | RHNS | (Specify) |
|--|-------------|------|------|-----------|
|  |             |      |      |           |
|  |             |      |      |           |
|  |             |      |      |           |
|  |             |      |      |           |
| <b>Total Other Resident Revenue - Medicare</b> |             | \$ - | \$ - | \$ -      |

Schedule of Other Non-Medicare Resident Revenue

| Related Exp<br>Page Ref             | Description  | CCNH     | RHNS | (Specify) |
|-------------------------------------|--------------|----------|------|-----------|
| N/A                                 | Retroactives | \$ 4,478 |      |           |
|                                     |              |          |      |           |
|                                     |              |          |      |           |
|                                     |              |          |      |           |
|                                     |              |          |      |           |
| <b>Total Other Resident Revenue</b> |              | \$ 4,478 | \$ - | \$ -      |

Interest Income

| Page Ref                     | Account                     | Account<br>Balance | CCNH   | RHNS | (Specify) |
|------------------------------|-----------------------------|--------------------|--------|------|-----------|
| pg 31, L A2                  | Interest on A/R             | n/a                | \$ 83  |      |           |
| pg 32, L D7                  | Interest on Escrow Accounts | \$ 368,945         | \$ 423 |      |           |
|                              |                             |                    |        |      |           |
|                              |                             |                    |        |      |           |
|                              |                             |                    |        |      |           |
| <b>Total Interest Income</b> |                             |                    | \$ 506 | \$ - | \$ -      |

Schedule of Other Revenue

| Page Ref                   | Description                        | CCNH      | RHNS | (Specify) |
|----------------------------|------------------------------------|-----------|------|-----------|
|                            |                                    |           |      |           |
|                            |                                    |           |      |           |
| NA                         | Bad Debt Recoveries                | \$ 4,749  |      |           |
|                            |                                    |           |      |           |
| 10, A12d                   | Quinnipiac Education Reimbursement | \$ 5,800  |      |           |
|                            |                                    |           |      |           |
|                            |                                    |           |      |           |
|                            |                                    |           |      |           |
|                            |                                    |           |      |           |
|                            |                                    |           |      |           |
| <b>Total Other Revenue</b> |                                    | \$ 10,549 | \$ - | \$ -      |

Middlesex  
 1580 Prepaid Expenses - Other  
 September 30, 2015

| DESCRIPTION | DEBIT       | CREDIT      | BALANCE     |
|-------------|-------------|-------------|-------------|
|             |             |             | \$0.00      |
|             |             |             | \$0.00      |
| MIP Fees    | \$37,655.11 | \$19,067.00 | \$18,588.11 |
|             |             |             | \$0.00      |
|             |             |             | \$0.00      |
|             |             |             | \$0.00      |
|             |             |             | \$18,588.11 |

1580

Totals

Cost Year

| Cost Year  | Amount     | 2007                      | 2007                      | 2007                      | 2008                      | 2008                      | 2009                      | 2013                      | 2014                      | 2015                      | Totals     |
|------------|------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|------------|
|            |            | Heritage Furniture Profit | Heritage Furniture Profit | Heritage Furniture Profit | Heritage Furniture Profit | Heritage Furniture Profit | Heritage Furniture Profit | Resident Room Televisions | Resident Room Televisions | Resident Room Televisions |            |
| Cost       | \$ 212,716 | \$ 120,345                | \$ 15,539                 | \$ 15,390                 | \$ 465                    | \$ 16,021                 | \$ 100                    | \$ 8,943                  | \$ 2,319                  | \$ 2,884                  | \$ 397,497 |
| Term       | 5.00       | 15.00                     | 10.00                     | 15.00                     | 5.00                      | 15.00                     | 10.00                     | 5.00                      | 5.00                      | 5.00                      |            |
| Deprec     | \$ 42,543  |                           |                           |                           |                           |                           |                           |                           |                           |                           | \$ 42,543  |
| Book Value | \$ 170,173 |                           |                           |                           |                           |                           |                           |                           |                           |                           | \$ 170,173 |
| Deprec     | \$ 42,543  | \$ 4,012                  |                           |                           |                           |                           |                           |                           |                           |                           | \$ 46,555  |
| Book Value | \$ 127,630 | \$ 116,333                |                           |                           |                           |                           |                           |                           |                           |                           | \$ 243,963 |
| Deprec     | \$ 42,543  | \$ 8,023                  |                           |                           |                           |                           |                           |                           |                           |                           | \$ 50,566  |
| Book Value | \$ 85,087  | \$ 108,310                |                           |                           |                           |                           |                           |                           |                           |                           | \$ 193,397 |
| Deprec     | \$ 42,543  | \$ 8,023                  |                           |                           |                           |                           |                           |                           |                           |                           | \$ 50,566  |
| Book Value | \$ 42,544  | \$ 100,287                |                           |                           |                           |                           |                           |                           |                           |                           | \$ 142,831 |
| Deprec     | \$ 42,544  | \$ 8,023                  |                           |                           |                           |                           |                           |                           |                           |                           | \$ 50,567  |
| Book Value | \$ -       | \$ 92,264                 |                           |                           |                           |                           |                           |                           |                           |                           | \$ 92,264  |
| Deprec     | \$ -       | \$ 8,023                  | \$ 278                    | \$ 777                    | \$ 513                    |                           |                           |                           |                           |                           | \$ 9,591   |
| Book Value | \$ 84,241  | \$ 2,498                  | \$ 14,762                 | \$ 14,877                 |                           |                           |                           |                           |                           |                           | \$ 116,378 |
| Deprec     | \$ 8,023   | \$ 555                    | \$ 1,554                  | \$ 1,026                  | \$ 47                     | \$ 534                    |                           |                           |                           |                           | \$ 11,739  |
| Book Value | \$ 76,218  | \$ 1,943                  | \$ 13,208                 | \$ 13,851                 | \$ 419                    | \$ 15,487                 |                           |                           |                           |                           | \$ 121,125 |
| Deprec     | \$ 8,023   | \$ 555                    | \$ 1,554                  | \$ 1,026                  | \$ 93                     | \$ 1,068                  | \$ 5                      |                           |                           |                           | \$ 12,324  |
| Book Value | \$ 68,195  | \$ 1,388                  | \$ 11,654                 | \$ 12,825                 | \$ 326                    | \$ 14,419                 | \$ 95                     |                           |                           |                           | \$ 108,901 |
| Deprec     | \$ 8,023   | \$ 555                    | \$ 1,554                  | \$ 1,026                  | \$ 93                     | \$ 1,068                  | \$ 10                     |                           |                           |                           | \$ 12,329  |
| Book Value | \$ 60,172  | \$ 833                    | \$ 10,100                 | \$ 11,799                 | \$ 233                    | \$ 13,351                 | \$ 85                     |                           |                           |                           | \$ 96,572  |
| Deprec     | \$ 8,023   | \$ 555                    | \$ 1,554                  | \$ 1,026                  | \$ 93                     | \$ 1,068                  | \$ 10                     |                           |                           |                           | \$ 12,329  |
| Book Value | \$ 52,149  | \$ 278                    | \$ 8,546                  | \$ 10,773                 | \$ 140                    | \$ 12,283                 | \$ 75                     |                           |                           |                           | \$ 84,243  |
| Deprec     | \$ 8,023   | \$ 278                    | \$ 1,554                  | \$ 1,026                  | \$ 93                     | \$ 1,068                  | \$ 10                     |                           |                           |                           | \$ 12,052  |
| Book Value | \$ 44,126  | \$ -                      | \$ 6,992                  | \$ 9,747                  | \$ 47                     | \$ 11,215                 | \$ 65                     | \$ 894                    |                           |                           | \$ 72,192  |
| Deprec     | \$ 8,023   | \$ -                      | \$ 1,554                  | \$ 1,026                  | \$ -                      | \$ 1,068                  | \$ 10                     | \$ 8049                   |                           |                           | \$ 12,822  |
| Book Value | \$ 36,103  | \$ 5,438                  | \$ 8,721                  | \$ -                      | \$ -                      | \$ 10,147                 | \$ 55                     | \$ 8,049                  |                           |                           | \$ 68,513  |
| Deprec     | \$ 8,023   | \$ 1,554                  | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ 10                     | \$ 1,789                  | \$ 232                    |                           | \$ 13,702  |
| Book Value | \$ 28,080  | \$ 3,884                  | \$ 7,695                  |                           |                           | \$ 9,079                  | \$ 45                     | \$ 6,260                  | \$ 2,087                  |                           | \$ 57,130  |
| Deprec     | \$ 8,023   | \$ 1,554                  | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ 10                     | \$ 1,789                  | \$ 464                    | \$ 288                    | \$ 14,222  |
| Book Value | \$ 20,057  | \$ 2,330                  | \$ 6,669                  |                           |                           | \$ 8,011                  | \$ 35                     | \$ 4,471                  | \$ 1,623                  | \$ 2,596                  | \$ 45,792  |
| Deprec     | \$ 8,023   | \$ 1,554                  | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ 25                     | \$ 2,682                  | \$ 1,159                  | \$ 2,019                  | \$ 31,281  |
| Book Value | \$ 12,034  | \$ 776                    | \$ 5,643                  |                           |                           | \$ 6,943                  | \$ 10                     | \$ 1,789                  | \$ 464                    | \$ 577                    | \$ 13,733  |
| Deprec     | \$ 8,023   | \$ 776                    | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ 15                     | \$ 893                    | \$ 695                    | \$ 1,442                  | \$ 17,548  |
| Book Value | \$ 4,011   | \$ -                      | \$ 4,617                  |                           |                           | \$ 5,875                  | \$ 10                     | \$ 893                    | \$ 464                    | \$ 577                    | \$ 8,049   |
| Deprec     | \$ 4,011   | \$ -                      | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ 5                      | \$ -                      | \$ 231                    | \$ 865                    | \$ 9,499   |
| Book Value | \$ -       | \$ -                      | \$ 3,591                  |                           |                           | \$ 4,807                  | \$ 5                      | \$ -                      | \$ 231                    | \$ 577                    | \$ 2,907   |
| Deprec     | \$ -       | \$ -                      | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ 5                      | \$ -                      | \$ -                      | \$ 288                    | \$ 6,592   |
| Book Value | \$ -       | \$ -                      | \$ 2,565                  |                           |                           | \$ 3,739                  | \$ -                      | \$ -                      | \$ -                      | \$ 288                    | \$ 2,382   |
| Deprec     | \$ -       | \$ -                      | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ 4,210   |
| Book Value | \$ -       | \$ -                      | \$ 1,539                  |                           |                           | \$ 2,671                  | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ 2,094   |
| Deprec     | \$ -       | \$ -                      | \$ 1,026                  |                           |                           | \$ 1,068                  | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ 2,116   |
| Book Value | \$ -       | \$ -                      | \$ 513                    |                           |                           | \$ 1,603                  | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ 1,581   |
| Deprec     | \$ -       | \$ -                      | \$ 513                    |                           |                           | \$ 1,068                  | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ 535     |
| Book Value | \$ -       | \$ -                      | \$ -                      |                           |                           | \$ 535                    | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ 535     |
| Deprec     | \$ -       | \$ -                      | \$ -                      |                           |                           | \$ 535                    | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ -       |
| Book Value | \$ -       | \$ -                      | \$ -                      |                           |                           | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ -                      | \$ -       |

### G. Balance Sheet

| Name of Facility  | License No.           | Report for Year Ended | Page      | of               |
|---|-----------------------|-----------------------|-----------|------------------|
| Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center | 2263                  | 9/30/2015             | 31        | 37               |
| Account   |                       |                       | Amount    |                  |
| <b>Assets</b>   |                       |                       |           |                  |
| <b>A. Current Assets</b>  |                       |                       |           |                  |
| 1. Cash ( <i>on hand and in banks</i> ).....                                  |                       |                       | \$        | 49,803           |
| 2. Resident Accounts Receivable (Less Allowance for Bad Debts).....           |                       |                       | \$        | 955,019          |
| 3. Other Accounts Receivable (Excluding Owners or Related Parties).....       |                       |                       | \$        |                  |
| 4. Inventories.....   |                       |                       | \$        | 15,631           |
| 5. Prepaid Expenses.....  |                       |                       | \$        | 261,968          |
| a. Prepaid Insurance  | 243,380               |                       |           |                  |
| b. Prepaid Expenses   | 18,588                |                       |           |                  |
| c. _____  |                       |                       |           |                  |
| d. _____  |                       |                       |           |                  |
| 6. Interest Receivable.....   |                       |                       | \$        |                  |
| 7. Medicare Final Settlement Receivable.....                                  |                       |                       | \$        |                  |
| 8. Other Current Assets ( <i>itemize</i> ).....                               |                       |                       | \$        | 368,975          |
| A/R Related Parties   | 270,095               |                       |           |                  |
| Repair Reserve  | 98,880                |                       |           |                  |
| <b>A-9. Total Current Assets (Lines A1 thru 8)</b>                            |                       |                       | <b>\$</b> | <b>1,651,396</b> |
| <b>B. Fixed Assets</b>  |                       |                       |           |                  |
| 1. Land.....  |                       |                       | \$        | 101,303          |
| 2. Land Improvements  | *Historical Cost..... | 43,194                | \$        | 16,666           |
|   | Accum. Depreciation   | (26,528) Net.....     |           |                  |
| 3. Buildings  | *Historical Cost..... | 9,406,675             | \$        | 5,765,051        |
|   | Accum. Depreciation   | (3,641,624) Net.....  |           |                  |
| 4. Leasehold Improvements   | *Historical Cost..... |                       | \$        |                  |
|   | Accum. Depreciation   | Net.....              |           |                  |
| 5. Non-Movable Equipment  | *Historical Cost..... | 341,004               | \$        | 126,084          |
|   | Accum. Depreciation   | (214,920) Net.....    |           |                  |
| 6. Movable Equipment  | *Historical Cost..... | 1,612,180             | \$        | 310,949          |
|   | Accum. Depreciation   | (1,301,231) Net.....  |           |                  |
| 7. Motor Vehicles   | *Historical Cost..... |                       | \$        |                  |
|   | Accum. Depreciation   | Net.....              |           |                  |
| 8. Minor Equipment-Not Depreciable.....                                       |                       |                       | \$        |                  |
| 9. Other Fixed Assets ( <i>itemize</i> ).....                                 |                       |                       | \$        | 82,829           |
| Moveable Equipment Carryforward   | 45,792                |                       |           |                  |
| Project Development & Deposit   | 37,037                |                       |           |                  |
| <b>B-10. Total Fixed Assets (Lines B1 thru 9)</b>                             |                       |                       | <b>\$</b> | <b>6,402,882</b> |

\* 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<br>Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center | License No.<br>2263 | Report for Year Ended<br>9/30/2015 | Page<br>32   | of<br>37 |
| Account   |                     |                                    | Amount       |          |
| Total Brought Forward:  |                     |                                    | \$ 8,054,278 |          |
| 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.....   |                     |                                    | \$           |          |
| 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> ).....   |                     |                                    | \$ 1,185,051 |          |
| Deferred Finance Fees   |                     |                                    | 113,717      |          |
| HUD Escrow Accounts   |                     |                                    | 515,137      |          |
| Renewal & Replacement Fund  |                     |                                    | 556,197      |          |
| D-8. Total Investments and Other Assets (Lines D1 thru 7).....                                    |                     |                                    | \$ 1,185,051 |          |
| D-9. Total All Assets (Lines A9 + B10 + C8 + D8).....   |                     |                                    | \$ 9,239,329 |          |

\* 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        |
|---|--|-------------|-----------------------|-----------|-----------|
| Athena Middlesex, LLC of Middletown, CT d/b/a Middlesex Health Care Center        |  | 2263        | 9/30/2015             | 33        | 37        |
| Account   |  |             |                       | Amount    |           |
| <b>Liabilities</b>  |  |             |                       |           |           |
| A. Current Liabilities  |  |             |                       |           |           |
| 1. Trade Accounts Payable.....  |  |             |                       | \$        | 1,487,640 |
| 2. Notes Payable ( <i>itemize</i> ).....  |  |             |                       | \$        | 3,065,000 |
| Due to Related Party  |  |             |                       | 1,655,000 |           |
| Line of Credit-KeyBank  |  |             |                       | 1,410,000 |           |
| 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> ).....   |  |             |                       | \$        | 202,857   |
| 5. Accrued Payroll ( <i>Owners and/or Stockholders only</i> ).....                |  |             |                       | \$        |           |
| 6. Accrued Payroll Taxes Payable.....   |  |             |                       | \$        | 7,232     |
| 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> ).....    |  |             |                       | \$        | 29,145    |
| 11. Accrued Income Taxes*.....  |  |             |                       | \$        |           |
| 12. Other Current Liabilities ( <i>itemize</i> ).....                             |  |             |                       | \$        | 214,594   |
| Acc'd Operating Expenses  |  |             |                       | 8,563     |           |
| Acc'd Expense-CT State Sales Tax  |  |             |                       | 1,116     |           |
| Provider Taxes Due  |  |             |                       | 233,596   |           |
| Acc'd Property Taxes  |  |             |                       | (28,681)  |           |
| A-13. <b>Total Current Liabilities</b> (Lines A1 thru 12).....                    |  |             |                       | \$        | 5,006,468 |

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

(Carry Total forward to next page)

Middlesex  
 Accrued Operating Expense - 2170  
 September 30, 2015

| DESCRIPTION                   | DEBIT       | CREDIT      | BALANCE       |      |
|-------------------------------|-------------|-------------|---------------|------|
|                               |             |             | \$0.00        |      |
| ibnr health insurance         |             | \$37,331.22 | \$37,331.22   | 5364 |
| Accounting Fees acct 5126 SJE |             | \$11,841.72 | \$11,841.72   | 5126 |
| athena management fees        | \$40,034.20 |             | (\$40,034.20) | 5120 |
| athena 401 k we 8/29          |             | \$2,491.50  | \$2,491.50    | 2568 |
| athena food rebate            | \$3,067.13  |             | (\$3,067.13)  | 6334 |
|                               |             |             | \$0.00        |      |
|                               |             |             | \$0.00        |      |
|                               |             |             | \$0.00        |      |
|                               |             |             | \$0.00        |      |
|                               |             |             | \$0.00        |      |
|                               |             |             | \$8,563.11    |      |

**G. Balance Sheet (cont'd)**

|   |  |                     |                                    |                        |          |
|---|--|---------------------|------------------------------------|------------------------|----------|
| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center |  | License No.<br>2263 | Report for Year Ended<br>9/30/2015 | Page<br>34             | of<br>37 |
| Account   |  |                     |                                    | Amount                 |          |
|   |  |                     |                                    | Total Brought Forward: |          |
|   |  |                     |                                    | 5,006,468              |          |
| <b>Liabilities (cont'd)</b>   |  |                     |                                    |                        |          |
| B. Long-Term Liabilities  |  |                     |                                    |                        |          |
| 1. Loans Payable-Equipment ( <i>itemize</i> ).....  |  |                     |                                    |                        |          |
|   |  |                     |                                    | \$                     |          |
| Name of Lender  |  | Purpose             | Amount                             | Date Due               |          |
|   |  |                     |                                    |                        |          |
| 2. Mortgages Payable.....   |  |                     |                                    | \$ 7,546,125           |          |
| 3. Loans from Owners or Related Parties ( <i>itemize</i> ).....                                   |  |                     |                                    | \$ 16,054              |          |
| Name and Address of Lender  |  | Amount              | Loan Date                          |                        |          |
| Due to Related Party  |  | 16,054              |                                    |                        |          |
| 4. Other Long-Term Liabilities ( <i>itemize</i> ).....  |  |                     |                                    | \$                     |          |
|   |  |                     |                                    |                        |          |
|   |  |                     |                                    |                        |          |
| B-5. <i>Total Long-Term Liabilities</i> (Lines B1 thru 4).....                                    |  |                     |                                    | \$ 7,562,179           |          |
| C. <i>Total All Liabilities</i> (Lines A-13 + B-5).....   |  |                     |                                    | \$ 12,568,647          |          |

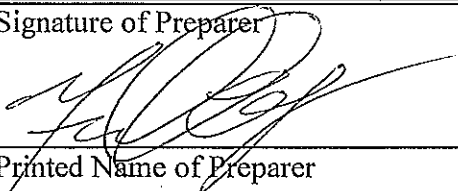
**G. Balance Sheet (cont'd)**  
**Reserves and Net Worth**

| Name of Facility  | License No. | Report for Year Ended | Page      | of          |
|---|-------------|-----------------------|-----------|-------------|
| Athena Middlesex, LLC of Middletown,<br>CT d/b/a Middlesex Health Care Center                   | 2263        | 9/30/2015             | 35        | 37          |
| Account   |             |                       | Amount    |             |
| <b>A. Reserves</b>  |             |                       |           |             |
| 1. Reserve for value of leased land.....  |             |                       | \$        |             |
| 2. Reserve for depreciation value of leased buildings and appurtenances<br>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>B. Net Worth</b>   |             |                       |           |             |
| 1. Owner's Capital.....   |             |                       | \$        |             |
| 2. Capital Stock.....   |             |                       | \$        |             |
| 3. Paid-in Surplus.....   |             |                       | \$        | 548,900     |
| 4. Treasury Stock.....  |             |                       | \$        |             |
| 5. Cumulated Earnings.....  |             |                       | \$        | (2,679,234) |
| 6. Gain or Loss for Period  |             |                       | \$        | (1,198,984) |
|   | 10/1/2014   | thru                  | 9/30/2015 |             |
| 7. Total Net Worth.....   |             |                       | \$        | (3,329,318) |
| <b>C. Total Reserves and Net Worth .....</b>  |             |                       | \$        | (3,329,318) |
| <b>D. Total Liabilities, Reserves, and Net Worth .....</b>                                      |             |                       | \$        | 9,239,329   |

### H. Changes in Total Net Worth

| Name of Facility<br>Athena Middlesex, LLC of Middletown, CT<br>d/b/a Middlesex Health Care Center |  | License No.<br>2263 | Report for Year Ended<br>9/30/2015 | Page<br>36  | of<br>37    |
|---|--|---------------------|------------------------------------|-------------|-------------|
| Account   |  |                     |                                    | Amount      |             |
| A. Balance at End of Prior Period as shown on Report of 09/30/2014                                |  |                     |                                    | \$          | (2,130,647) |
| B. Total Revenue (From Statement of Revenue Page 30 ) .....                                       |  |                     |                                    | \$          | 12,711,786  |
| C. Total Expenditures (From Statement of Expenditures Page 27 ) .....                             |  |                     |                                    | \$          | 13,910,770  |
| D. Net Income or Deficit.....   |  |                     |                                    | \$          | (1,198,984) |
| E. Balance.....   |  |                     |                                    | \$          | (3,329,631) |
| F. Additions  |  |                     |                                    |             |             |
| 1. Additional Capital Contributed (itemize )  |  |                     |                                    |             |             |
| <b>Prior Year Depreciation Adjustment</b>   |  |                     |                                    | <b>331</b>  |             |
| <b>Rounding</b>   |  |                     |                                    | <b>(18)</b> |             |
| 2. Other (itemize )   |  |                     |                                    |             |             |
| F-3. Total Additions.....   |  |                     |                                    | \$          | 313         |
| 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   |  |                     |                                    | \$          | (3,329,318) |
|   |  |                     |                                    |             | 09/30/15    |

### I. Preparer's/Reviewer's Certification

|  |                          |                                    |            |          |
|--|--------------------------|------------------------------------|------------|----------|
| Name of Facility<br>Athena Middlesex, LLC of Middletown,<br>CT d/b/a Middlesex Health Care Center  | License No.<br>2263      | Report for Year Ended<br>9/30/2015 | Page<br>37 | of<br>37 |
| <i>Check appropriate category</i>  |                          |                                    |            |          |
| CCNH   | RHNS                     | Other ( <i>Specify</i> )           |            |          |
| <input checked="" type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>           |            |          |
| <b>Preparer/Reviewer Certification</b>   |                          |                                    |            |          |
| <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<br>   | Title<br>CKE             | Date Signed<br>2/12/16             |            |          |
| Printed Name of Preparer<br>Athena Health Care Associates, Inc   |                          |                                    |            |          |
| Address<br>135 South Road<br>Farmington, CT 06032  |                          | Phone Number<br>(860) 751-3900     |            |          |

Cost report forms generated by Athena Health Care Associates, Inc as approved in letter dated 12/11/13.