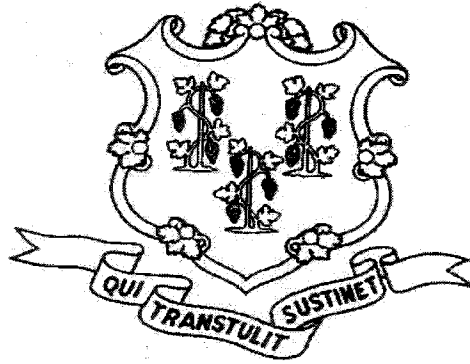


# State of Connecticut



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

Name of Facility (as licensed) Cobalt Lodge Health & Rehabilitation Center	
Address (No. & Street, City, State, Zip Code) Route 151, Cobalt, CT 06414	
Type of Facility	
<input type="checkbox"/> Chronic and Convalescent <input checked="" type="checkbox"/> Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)
<input type="checkbox"/> (Specify)	
Report for Year Beginning 10/1/2015	Report for Year Ending 9/30/2016

License Numbers:	CCNH 813-C	RHNS	(Specify)	Medicare Provider 07-5232
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Medicaid Provider Numbers:	CCNH 8136	RHNS	ICF-IID
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**For Department Use Only**

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

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**General Information**

Name of Facility (as licensed) Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2016	Page 1	of 37
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**Administrator's/Owner's Certification**

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

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for Cobalt Lodge Health & Rehabilitation Center [facility name], for the cost report period beginning October 1, 2015 and ending September 30, 2016, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

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

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

{a} Subject to Desk Audit Review

Signed (Administrator)		Date	Signed (Owner)		Date
Printed Name (Administrator) Todd Zgorski			Printed Name (Owner)		
Subscribed and Sworn to before me:	State of	Date	Signed (Notary Public)	Comm. Expires / /	
Address of Notary Public					

(Notary Seal)

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

<b>Data Required for Real Wage Adjustment</b>			Page 1A	of 37
Name of Facility Cobalt Lodge Health & Rehabilitation Center	Period Covered:	From 10/1/2015	To 9/30/2016	
Address of Facility Route 151, Cobalt, CT 06414				
Report Prepared By Marcum LLP	Phone Number 203-781-9600	Date 1/17/2017		
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. <b>Total Wages Paid</b> \$				
7. Total salaries paid \$				
8. <b>Total Wages and Salaries Paid</b> (As per page 10 of Report) \$				

Wages - Compensation computed on an hourly wage rate.

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

**DO NOT include Fringe Benefit Costs.**

**General Information and Questionnaire**  
**Type of Facility - Organization Structure**

Phone No. of Facility 860-267-9034	Report for Year Ended 9/30/2016	Page 2	of 37
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Name of Facility (as shown on license) Cobalt Lodge Health & Rehabilitation Center	Address (No. & Street, City, State, Zip) Route 151, Cobalt, CT 06414
---	---

License Numbers:	CCNH 813-C	RHNS (Specify)	Medicare Provider No. 07-5232
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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 type="checkbox"/> LLC	<input type="checkbox"/> Partnership	<input checked="" type="radio"/> 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="radio"/> Yes	<input checked="" type="radio"/> No	If "Yes," explain fully.
---	---------------------------	-------------------------------------	--------------------------

<b>Administrator</b>		
Name of Administrator Todd Zgorski	Nursing Home Administrator's License No.:	1508

Other Operators/Owners who are assistant administrators (full or part time) of this facility.	
Name N/A	License No.:



**General Information and Questionnaire**  
**Corporate Owners**

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2016	Page of 3A   37
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If this facility is owned or operated as a corporation, provide the following information:

Legal Name of Corporation	Business Address	State(s) in Which Incorporated
Z, Incorporated	Route 151, Cobalt, CT 06414	CT

Name of Directors, Officers	Business Address	Title	No. Shares Held by Each
Joyce Zgorski	Route 151, Cobalt, CT 06414	Secretary	10
Todd Zgorski	Route 151, Cobalt, CT 06414	Pres / Treas	45
Marc Zgorski	Route 151, Cobalt, CT 06414	Vice President	45

Names of Stockholders Owning at Least 10% of Shares	Business Address	Title	No. Shares Held by Each
Joyce Zgorski	Route 151, Cobalt, CT 06414	Secretary	10
Todd Zgorski	Route 151, Cobalt, CT 06414	Pres / Treas	45
Marc Zgorski	Route 151, Cobalt, CT 06414	Vice President	45

### General Information and Questionnaire Individual Proprietorship

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016	3B	37

If this facility is owned or operated as an individual proprietorship, provide the following information:

Owner(s) of Facility

N/A



## General Information and Questionnaire Related Parties\*

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2016	Page 4	of 37
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Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association?  Yes  No

If "Yes," provide the Name/Address and complete the information on Page 11 of the report.

Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility?  Yes  No

If "Yes," provide the following information:

Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties		Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No %**				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				
		<input type="radio"/>	<input type="radio"/>				

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

## General Information and Questionnaire

### Basis for Allocation of Costs

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2016	Page 5	of 37
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If the facility is licensed as CDH and/or RCH or provides AIDS or TBI services with special Medicaid rates, costs must be allocated to CCNH and RHNS as follows:

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

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

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

N/A - One level of care.

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

N/A - One level of care.

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

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

N/A - One level of care.

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

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

Name of Facility		License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2016			6	37
Name and Address of Lessor	Related * to Owners, Operators, Officers		Description of Items Leased	Date of Lease**	Term of Lease	Annual Amount of Lease	Amount Claimed
	Yes	No					
Ricoh, 1219 Walt Whitman Road, Melville, NY	<input type="radio"/>	<input checked="" type="radio"/>	Copier/Fax (Balance Sheet account only)	08/20/14	60 months		
Marlin Business Bank, 2795 E. Cottonwood Pky, Ste 120, Salt Lake City, UT 84121	<input type="radio"/>	<input checked="" type="radio"/>	Phone System	06/28/16	60 months	2,363	2,363
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
	<input type="radio"/>	<input type="radio"/>					
<b>Is a Mileage Log Book Maintained for All Leased Vehicles ?</b>						<input type="radio"/> Yes	<input type="radio"/> No
<b>Total ***</b>						<b>2,363</b>	<b>2,363</b>

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

\*\* Attach copies of newly acquired leases.

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

461-633214-001

# MARLIN EQUIPMENT LEASE CONTRACT

Lessor ("We" or "Us"):  Marlin Leasing Corporation  
 300 Fellowship Rd. Mount Laurel, NJ 08054  
 www.marlinleasing.com phone: 888.479.1111 fax: 888.479.1100

or  Marlin Business Bank  
 2795 E. Cottonwood Pky, Ste 120-Salt Lake City, UT 84121  
 phone: 801.453.1722

Processing Office  
 1500 JFK Blvd.  
 2 Penn Ctr, Ste 330  
 Philadelphia, PA 19102

DESCRIPTION OF LEASED EQUIPMENT (Include quantity, make, model, serial number and accessories. Attach schedule if necessary.) **MUST BE COMPLETED**  
 Phone System # 1137715

**LEASING CUSTOMER ("YOU")**  
 Company Name (Exact business name): Cobalt Lodge Health Care and Rehabilitation Center  
 Address: 29 Middle Haddam Rd Cobalt CT 06414  
 Street City State Zip  
 Phone: 8602679034 Fax: Email:  Corp.  LLC  Partnership  Prop.  
 Equipment Location: 29 Middle Haddam Rd, Cobalt, CT 06414 State of Incorporation/Organization:  
 Vendor: Unified USA, LLC DBA Address: Unified Communications Group, 504 Main St, Farmington, CT 06032

Lease Term (Mos.)	Total No. of Payments	Amount of Each Pymt.	Advance Rentals	Security Deposit	Payment Frequency	End of Term Purchase Option
60	60	\$787.68 (plus applicable taxes)	\$0.00 First & Last 0 month(s)	\$0.00	Monthly	\$1.00

**TERMS OF LEASE**

1. You (the customer) want to acquire the above equipment from the above vendor. You want us, the Lessor identified above, to buy it and then lease it to you. This Lease will begin when the equipment is delivered to you and will continue for the entire Lease Term plus any interim rent period. You will unconditionally pay us all amounts due, without any right to set-off. If we do not receive your payment by its due date, there will be a late fee equal to 15% of the late amount (or, if less, the maximum amount allowable under law) which you agree is a reasonable estimate of the costs we incur with respect to late payments and is not a penalty. Upon your request, we will waive the first assessed late charge. We may charge you a partial payment (interim rent) for the time between delivery and the due date for the first regular payment. We may charge you a one-time documentation fee up to \$250. You agree that we may adjust the payment amount above if the final equipment cost varies from the amount the payment was based upon. This Lease is not binding on us until we sign it. To expedite this Lease, you asked us to accept your faxed signature and have agreed it will be considered as good as your original signature and admissible in court as conclusive evidence of this Lease.

2. (a) You may purchase all of the equipment as indicated in the Equipment Purchase Option above. You will give us written notice by certified mail between 60 and 90 days before the expiration of the initial Lease Term (or any renewal term) of your intention to return the equipment or purchase the equipment. After you have (i) paid all amounts owing under the Lease and (ii) given us the proper and timely notice, then at the end of the Lease Term, you shall return the equipment pursuant to the instructions we provide to you. You agree to reimburse us for our costs to refurbish returned equipment for damage beyond normal wear and tear. You are solely responsible for removing all data/images stored on the equipment prior to its return. If you fail to notify us as provided herein, this Lease will extend on a month to month basis, until you have given at least 60 days written notice of your intention to return or purchase the equipment. (b) You agree the security deposit will not bear interest and that we may apply it to any amount owed to us, and should we do so, you agree to restore the security deposit to its original amount. You may request the return of the security deposit only after all of your obligations under this Lease have been met in full.

3. You alone selected the vendor and the equipment. You asked us to buy it. We are not related to the vendor and we cannot get a refund, nor is the vendor allowed to waive or modify any term of this Lease. Therefore, the Lease cannot be canceled by you for any reason, even if the equipment fails or is damaged and it is not your fault. We are leasing it to you "as is" and we disclaim all express and implied warranties, including any warranty of merchantability or fitness for a particular purpose. You are responsible for installation and all service. The vendor may have given you warranties. You may contact the vendor to get a statement of all warranties, if any. We assign to you any warranties the vendor may have given us. You shall settle any dispute regarding the equipment's performance directly with the vendor. You promise that the equipment will be used only for business and not for personal, family or household purposes. You will keep and use the equipment only at the above address and not move it or return it to us prior to the end of the Lease Term. Your payments may include amounts you owe to the vendor under a separate maintenance, service and/or supply arrangement. We may invoice such amounts on the vendor's behalf for your convenience. You agree that any claims related to maintenance, service or supplies will not impact your obligation to pay us the full amount due under this Lease.

4. If you do not pay us as agreed or fail to perform any other term of this Lease, you will be in default and you agree that we may (i) repossess or disable the equipment and/or (ii) directly debit (charge) your bank account(s) and/or sue you for all past due payments, fees, taxes, and all payments due in the future to the end of the Lease Term, plus our legal costs. If you are in default and/or do not meet your end of term obligations, we may also directly debit and/or sue you for the "residual" (end of term) equipment value. You agree to pay (i) a convenience fee of \$10 for any payment you elect to make by telephone and (ii) a charge of \$30 if any payment made by ACH or check is dishonored or returned. This Lease shall be governed by the laws of the Commonwealth of Pennsylvania (where we have an office and accepted this Lease). You agree that any suit relating to this Lease shall be brought only in a state or federal court in Pennsylvania. You irrevocably consent and submit to the jurisdiction of such courts, and you waive any claim that such court is an inconvenient or improper forum. Each party waives any right to a jury trial. We will have title to the equipment at all times. This is a "true lease" and not a loan or installment sale. You grant us a first priority security interest in the equipment and authorize us to file Uniform Commercial Code ("UCC") financing statements (in case this is later determined not to be a "true lease"). You agree this is a "finance lease" under Article 2A of the UCC. You waive all UCC rights and remedies you may have, including those in Sections 2A-508 through 2A-522.

5. You must pay us for all sales, use, property and other taxes relating to the Lease and the equipment. We may adjust this Lease and the payment above to finance for you any taxes and fees due at Lease inception. We may bill you based on our estimate of the taxes and fees. We may charge you an annual property tax administration fee up to \$25. Unless we have given you a written option to buy the equipment at the end of the Lease Term for \$1.00, we will be entitled to all tax benefits. If you do anything to disallow our getting these benefits, you will promptly indemnify (pay) us an equivalent amount. If we gave you a \$1.00 purchase option, we may require you to file all personal property tax returns. You accept all risks of loss, injury or damage caused by the equipment and shall indemnify us for all suits and other liabilities arising from the same. This indemnity will continue even after the Lease has ended. You must maintain acceptable liability insurance naming us as "additional insured". You must keep the equipment insured against all risks of loss in an amount equal to the replacement cost and have us listed on the policy as "loss payee." If you do not give us proof of the required insurance within 30 days after the Lease commences, then depending on the original equipment cost we may, but not obligated to, obtain insurance to cover our interests and charge you a fee for such coverage (including a monthly administration fee and a profit to us). You can cancel the insurance coverage fee at any time by delivering the required proof of insurance.

6. Since this Lease is based on your own credit rating, you may not assign the Lease to anyone else without our prior written approval. We may sell or transfer our interests to another entity, who will then have all of our rights but none of our obligations. Those obligations will continue to be ours. The rights we pass on to the new entity will not be subject to any defenses, claims or set-offs you may assert against us. All prior conversations, agreements and representations relating to this Lease or the equipment are integrated herein. None of the terms of this Lease shall be changed or modified except in writing duly executed by you and us. Any action by you against us must be commenced within one year after the cause of action arises or be forever barred.

**ACCEPTANCE OF LEASE AGREEMENT** THIS IS A BINDING CONTRACT. IT CANNOT BE CANCELED. READ IT CAREFULLY BEFORE SIGNING AND CALL US IF YOU HAVE ANY QUESTIONS.

Signature of Leasing Customer: *[Signature]* Print Name of Signer: Mary Esposito Title: Vice President Date: 6-28-16  
 Accepted and Signed by the Lessor identified above: *[Signature]* Print Name of Signer: ARC Title: Date: 6/28/16

**USPA**  
 TO HELP THE GOVERNMENT FIGHT THE FUNDING OF TERRORISM AND MONEY LAUNDERING ACTIVITIES, FEDERAL LAW REQUIRES ALL FINANCIAL INSTITUTIONS TO OBTAIN, VERIFY AND RECORD INFORMATION THAT IDENTIFIES EACH PERSON WHO OPENS AN ACCOUNT. WHAT THIS MEANS TO YOU: BEFORE YOU OPEN A LEASE ACCOUNT, WE WILL ASK YOU FOR YOUR NAME, ADDRESS, DATE OF BIRTH, AND OTHER INFORMATION THAT WILL ALLOW US TO IDENTIFY YOU. WE MAY ALSO ASK TO SEE YOUR DRIVER'S LICENSE OR OTHER IDENTIFYING DOCUMENTS.  
 Fed Tax ID:  06-0846977

**ACCEPTANCE OF DELIVERY**

I AM AUTHORIZED TO SIGN THIS CERTIFICATE ON BEHALF OF THE LEASING CUSTOMER. I CERTIFY TO THE LESSOR THAT THE EQUIPMENT HAS BEEN DELIVERED AND IS FULLY INSTALLED AND WORKING PROPERLY. I AUTHORIZE THE LESSOR TO PAY THE VENDOR AND COMMENCE THE LEASE.

X  
 Authorized Signature: \_\_\_\_\_ Name and Title (Please Print): \_\_\_\_\_ Equipment Delivery Date: \_\_\_\_\_  
 LEA-SF-USPA-R08142015.xsl



# Contract Addendum

www.marlinleasing.com

Marlin Leasing Corporation  
300 Fellowship Road • Mt. Laurel, NJ 08054  
phone: 888-479-9111 • fax: 888-479-1100

and  Marlin Business Bank  
2795 E. Cottonwood Pkwy., Ste. 120 • Salt Lake City, UT 84121  
phone: 801-453-1722 • fax: 801-453-1728

**Application #:** 1137715  
**Contract #:** N/A  
**Customer Name** Z Incorporated DBA Cobalt Lodge Health Care and  
**Rehabilitation Center**  
**Vendor Name:** Unified USA, LLC  
**Equipment/Collateral:** Phone System

Due to a minor change in the transaction for the contract identified above, this Contract Addendum is being issued by the Marlin entity identified above to amend the contract executed in connection with the transaction (the "Contract").

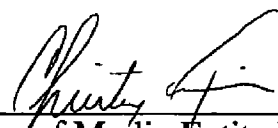
1. **Contract Change(s):**

Payment Amount: The payment amount on the Contract is now \$\_\_\_\_\_, plus applicable taxes

Equipment Description: The Equipment listed on the Contract is now \_\_\_\_\_.

Legal Name of Customer: The Legal Name of the Customer listed on the Contract is now Z Incorporated DBA Cobalt Lodge Health Care and Rehabilitation Center.

**This Contract Addendum is hereby incorporated into, and hereby becomes part of, the Contract.**

  
\_\_\_\_\_  
Authorized Signature of Marlin Entity Identified Above

7/22/16  
\_\_\_\_\_  
Date



# Delivery Guarantee

Lessor ("We" or "Us"):  
www.marlinleasing.com

Marlin Leasing Corporation  
300 Fellowship Rd · Mount Laurel, NJ 08054  
phone: 888-479-9111 · fax: 888-479-1100

or



Marlin Business Bank  
2795 Cottonwood Pkwy., Ste. 120 · Salt Lake City, UT 84121  
phone: 801-453-1722

Addendum to Lease # 1137715 dated as of 6/28/16, between

Cobalt Lodge Health Care and Rehabilitation Center as Lessee and Lessor indicated above.

Lessee understands and agrees that in the event Lessee is not satisfied with the working condition of the leased equipment, then Lessee shall only look to persons other than Lessor or its assigns (such as the manufacturer, vendor, installer or carrier), and Lessee shall not assert against Lessor or its assigns any claim or defense that Lessee may have with reference to the leased equipment, its installation or delivery. Lessee understands that despite the fact that certain items of the equipment to be leased have not been delivered or installed, this Addendum authorizes Lessor to start the Lease and Lessee's duty to make monthly payments under the Lease will commence immediately and the Lessee shall be responsible for all monthly payments under the Lease.

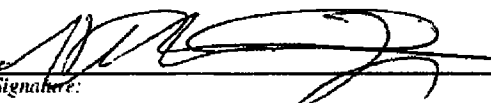
Further, Lessee authorizes Lessor to pay (the Vendor) for the equipment, and Lessee understands that its payment obligations under the Lease shall begin on the date of this Addendum and shall be continuous thereafter for the entire term of the Lease (per the terms and conditions of the Lease).

- 50 % of the equipment purchase price will be paid to Vendor upon execution of this Addendum


- 50 % of the equipment purchase price will be paid to Vendor upon verification by Lessee of delivery and installation of the equipment

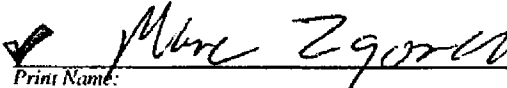
  
\_\_\_\_\_  
Lessor:

Cobalt Lodge Health Care and Rehabilitation Center  
\_\_\_\_\_  
Lessee:


  
\_\_\_\_\_  
Signature:

  
\_\_\_\_\_  
Signature:

  
\_\_\_\_\_  
Print Name:

  
\_\_\_\_\_  
Print Name:

  
\_\_\_\_\_  
Title:

  
\_\_\_\_\_  
Title:

**General Information and Questionnaire**  
**Accounting Basis**

Name of Facility Cobalt Lodge Health & Rehabilitat	License No. 813-C	Report for Year Ended 9/30/2016	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:

Accrual     Cash     Modified Cash

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

**Independent Accounting Firm**

Name of Accounting Firm 1 Marcum LLP 2 3 4	Address (No. & Street, City, State, Zip Code) 555 Long Wharf Drive, New Haven, CT 06511
--	--

Services Provided by This Firm (*describe fully*)

1 Medicaid/Medicare cost report preparation, general consulting, financial statements, tax return, accounting services	\$ 32,514
2	\$
3	\$
4	\$
	Charge for Services Provided
	\$ 32,514

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

Yes     No    Page 15, Line 1d

**Legal Services Information**

Name of Legal Firm or Independent Attorney 1 Murtha Cullin LLP 2 3 4 5	Telephone Number (860) 240-6000
---	------------------------------------

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

1 185 Asylum st. Hartford, CT 60103  
2  
3  
4  
5

Services Provided by This Firm (*describe fully*)

1 collections (disallowed on pg 28)	\$ 22,124
2	\$
3	\$
4	\$
5	\$
	Charge for Services Provided
	\$ 22,124

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

Yes     No    Page 15, Line 1e

**Schedule of Resident Statistics**

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2016				Page 8	of 37
		Period 10/1 Thru 6/30		Period 7/1 Thru 9/30			
		Total CCNH Level	Total RHNS Level	Total CCNH	Total RHNS		
1. Certified Bed Capacity							
A. On last day of PREVIOUS report period	60	60	60	60	60	60	
B. On last day of THIS report period	60	60	60	60	60	60	
2. Number of Residents							
A. As of midnight of PREVIOUS report period	51	51	51	51	52	52	
B. As of midnight of THIS report period	52	52	52	52	52	52	
3. Total Number of Days Care Provided During Period							
A. Medicare	2,060	2,060	1,683	1,683	377	377	
B. Medicaid (Conn.)	12,991	12,991	9,852	9,852	3,139	3,139	
C. Medicaid (other states)							
D. Private Pay	3,906	3,906	2,752	2,752	1,154	1,154	
E. State SSI for RCH							
F. Other (Specify)	150	150	117	117	33	33	
G. Total Care Days During Period (3A thru F)	19,107	19,107	14,404	14,404	4,703	4,703	
Total Number of Days Not Included in Figures in 3G for Which Revenue Was Received for Reserved Beds							
4. Medicaid Bed Reserve Days							
B. Other Bed Reserve Days							
5. <b>Total Resident Days (3G + 4A + 4B)</b>	19,107	19,107	14,404	14,404	4,703	4,703	



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

Name of Facility Cobalt Lodge Health & Rehabilitation Center	License No. 813-C	Report for Year Ended 9/30/2016	Page 9	of 37
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4. Were there any changes in the certified bed capacity during the report year?       Yes       No  
 If "YES", provide the following information:

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

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	4	36		12				
Per Diem Rate								
a. One bed rm.	Various	201.00		360-370				
b. Two bed rms.	Various	201.00		340.00				
c. Three or more bed rms.								

7. Total Number of Physical Therapy Treatments

	TOTAL	CCNH	RHNS	(Specify)
A. Medicare - Part B	1,138	1,138		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments				
2. Restorative Treatments	63	63		
C. Other	1,660	1,660		
D. <b>Total Physical Therapy Treatments</b>	2,861	2,861		

8. Total Number of Speech Therapy Treatments

A. Medicare - Part B	524	524		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments				
2. Restorative Treatments	27	27		
C. Other	601	601		
D. <b>Total Speech Therapy Treatments</b>	1,152	1,152		

9. Total Number of Occupational Therapy Treatments

A. Medicare - Part B	1,005	1,005		
B. Medicaid (Exclusive of Part B)				
1. Maintenance Treatments				
2. Restorative Treatments	98	98		
C. Other	1,562	1,562		
D. <b>Total Occupational Therapy Treatments</b>	2,665	2,665		

### Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016	10	37		
Are time records maintained by all individuals receiving compensation? <input type="radio"/> Yes <input type="radio"/> No						
Total Cost and Hours						
Item	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)	192,321	2,080				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)	48,711	1,560				
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	268,096	5,379				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor	149,498	2,080				
c. Dietary Workers	203,578	14,782				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers	92,444	7,120				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	41,317	2,077				
b. Other Maintenance Workers	22,909	1,826				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers	3,585	381				
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	93,199	2,104				
b. RN						
1. Direct Care	298,650	8,351				
2. Administrative**	175,038	5,560				
c. LPN						
1. Direct Care	301,162	12,251				
2. Administrative**						
d. Aides and Attendants	565,081	37,857				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	40,411	2,578				
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	23,524	1,083				
n. Marketing						
o. Other (Specify) See Attached Schedule						
<i>A-13. Total Salary Expenditures</i>	<i>2,519,524</i>	<i>107,069</i>				

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

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

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



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

Name of Facility		License No.		Report for Year Ended		Page	of		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2016		11	37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS (Specify)							
<b>Section I - Operators/Owners</b>									
Joyce Zgorski, Route 151, Cobalt, CT 06414	151,580		Non Discrim	Food Services Supervisor	2,080	A5b			
<b>Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).</b>									
Marc Zgorski, Route 151, Cobalt, CT 06414	154,700		Non Discrim	Vice President, Head of Admissions	2,080	A4			

\* 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) Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2016			Page 12	of 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>									
Todd Zgorski, Route 151, Cobalt, CT 06414	192,321		Non Discrim	President, Administrator, CFO	2,080	A2			
<b>Section IV - Assistant Administrators</b>									
Jon Caron	48,711		Non Discrim	Asst. Administrator/Marketing	1,560	A3			

\*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.

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**B. Report of Expenditures - Professional Fees**

Name of Facility	License No.	Report for Year Ended	Page	of		
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016	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	13,751	338				
2. Dentist	3,450	46				
3. Pharmacist	2,763	104				
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	186,606	2,899				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	38,340	120				
b. Utilization Review (Title 18 and 19 only) monthly meeting						
c. Resident Care**						
d. Administrative Services facility						
1. Infection Control Committee (Quarterly meetings)						
2. Pharmaceutical Committee (Quarterly meetings)						
3. Staff Development Committee (Once annually)						
e. Other (Specify)						
9. Speech Therapist						
a. Resident Care	63,952	893				
b. Other						
10. Occupational Therapist						
a. Resident Care	146,596	3,123				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	68,416	1,203				
2. Administrative***						
b. LPN						
1. Direct Care	32,294	911				
2. Administrative***						
c. Aides	128,466	6,613				
d. Other						
12. Other (Specify) See Attached Schedule	2,926	55				
<b>B-13 Total Fees Paid in Lieu of Salaries</b>	<b>687,560</b>	<b>16,305</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 Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2016	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship	
		Yes	No		
J. Carey La Porte, MD, Sparrow Commons, Colchester, CT 06480	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Prakash Huded, MD, 78 Marlborough Street, Portland, CT 06480	Other Doctors	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Center for Geriatric & Family Psychiatry, 55 Nye Ave., Suite 100, Glastonbury, CT 06033	Psychiatry	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Caring Nurses, David Raney, 273 Palisado Ave., Windsor, CT 06095	Medical Records	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Omnicare of CT, 525 Knotter Dr., Cheshire, CT 06410	Pharmacist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Preferred Therapy Solutions, 850 Silas Deane Highway, 2nd Floor, Wethersfield, CT 06109	Physical Therapy, Occupational Therapy, Speech Therapy	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Anna Ruchwa, 36 Crystal St., Wethersfield, CT 06109	Dietician	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
Celtic Consulting, Maureen McCarthy, 507 East Main St, Torrington, CT 06790	MDS Quality Measures	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
HealthDrive Dental Group, 888 Worcester St, Ste 130, Wellesley, MA 02482	Dentist	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
The Nurse Network, LLC, 653 Main Street, Plantsville, CT 06479	RN, LPN, Aides	<input type="radio"/>	<input checked="" type="radio"/>	N/A	
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		
		<input type="radio"/>	<input type="radio"/>		

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

**C. Expenditures Other Than Salaries - Administrative and General**

Name of Facility	License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016		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	\$ 84,460	84,460			
2. Disability Insurance	\$				
3. Unemployment Insurance	\$ 30,117	30,117			
4. Social Security (F.I.C.A.)	\$ 178,456	178,456			
5. Health Insurance	\$ 103,089	103,089			
6. Life Insurance (employees only) (not-owners and not-operators)	\$				
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$				
8. Uniform Allowance	\$				
9. Other ( <i>Specify</i> ) See Attached Schedule	\$				
<b>b. Personal Retirement Plans, Pensions, and        Profit Sharing Plans for Owners and        Operators (Discriminatory)*</b>	\$				
<b>c. Bad Debts*</b>	\$				
<b>d. Accounting and Auditing</b>	\$ 32,514	32,514			
<b>e. Legal (<i>Services should be fully described on Page 7</i>)</b>	\$ 22,124	22,124			
<b>f. Insurance on Lives of Owners and        Operators (<i>Specify</i>)*</b>	\$				
<b>g. Office Supplies</b>	\$ 5,700	5,700			
<b>h. Telephone and Cellular Phones</b>					
1. Telephone & Pagers	\$ 8,238	8,238			
2. Cellular Phones	\$ 110	110			
<b>i. Appraisal (<i>Specify purpose and        attach copy</i>)*</b>	\$				
<b>j. Corporation Business Taxes (<i>franchise tax</i>)</b>	\$				
<b>k. Other Taxes (<i>Not related to property - See Page 22</i>)</b>					
1. Income*	\$				
2. Other ( <i>Specify</i> ) See Attached Schedule	\$ 940	940			
3. Resident Day User Fee	\$ 356,688	356,688			
<b>Subtotal</b>	\$ 822,436	822,436			

\* 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
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016		16	37
Item	Total	CCNH	RHNS	(Specify)	
<b>Subtotals Brought Forward:</b>	822,436	822,436			
<b>i. Travel and Entertainment</b>					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$				
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$ 2,181	2,181			
5. Education Expenses Related to Seminars and Conventions	\$ 1,250	1,250			
6. Automobile Expense ( <i>not purchase or depreciation</i> )	\$				
7. Other ( <i>Specify</i> ) See Attached Schedule	\$ 10,674	10,674			
<b>m. Other Administrative and General Expenses</b>					
1. Advertising Help Wanted ( <i>all such expenses</i> )	\$				
2. Advertising Telephone Directory ( <i>all such expenses</i> )***	\$				
3. Advertising Other ( <i>Specify</i> )*** See Attached Schedule	\$ 18,075	18,075			
4. Fund-Raising***	\$				
5. Medical Records	\$				
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$ 500	500			
7. Postage	\$ 1,012	1,012			
* 8. Dues and Membership Fees to Professional Associations ( <i>Specify</i> ) See Attached Schedule	\$ 1,333	1,333			
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$				
9. Subscriptions	\$ 13,514	13,514			
10. Contributions*** See Attached Schedule	\$ 3,395	3,395			
11. Services Provided by Contract ( <i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i> )	\$ 33,751	33,751			
12. Administrative Management Services**	\$				
13. Other ( <i>Specify</i> ) See Attached Schedule	\$ (4,054)	(4,054)			
<b>C-14 Total Administrative &amp; General Expenditures</b>	\$ 904,067	904,067			

\* 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)
	-		
Meals/Entertain (Self-disallow)	\$ 100		
Travel & Entertainment (Self-disallow)	\$ 10,574		
<b>Total Other Travel and Entertainment</b>	<b>\$ 10,674</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	-		
Advertising	\$ 17,114		
Public Relations	\$ 961		
<b>Total Other Advertising</b>	<b>\$ 18,075</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Dues

Description	CCNH	RHNS	(Specify)
	-		
CBIA	\$ 1,333		
<b>Total Dues</b>	<b>\$ 1,333</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
	-		
Donations	\$ 3,395		
<b>Total Contributions</b>	<b>\$ 3,395</b>	<b>\$ -</b>	<b>\$ -</b>

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Licenses	\$ 1,817		
Prior Period Adjustment (Self-disallow)	\$ (7,394)		
Fines and Penalties (self-disallow)	\$ 220		
Internet	\$ 1,303		
<b>Total Other Administrative and General</b>	<b>\$ (4,054)</b>	<b>\$ -</b>	<b>\$ -</b>

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

Name of Facility Cobalt Lodge Health & Rehabilitation Ce	License No. 813-C	Report for Year Ended 9/30/2016	Page of 17   37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
N/A			

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2016	Page 18	of 37
Item		Total	CCNH	RHNS	(Specify)
2. Dietary					
a. In-House Preparation & Service					
1.	Raw Food	\$ 140,227	140,227		
2.	Non-Food Supplies	\$ 22,302	22,302		
3.	Other (Specify) _____	\$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$			
c. Management Services**		\$			
d. Other (Specify) _____		\$			
<b>2E. Total Dietary Expenditures (2a + b + c + d)</b>		<b>\$ 162,529</b>	<b>162,529</b>		
2F. Dietary Questionnaire		Total	CCNH	RHNS	(Specify)
G. Resident Meals: Total no. of meals served per day:*					
H. Is cost of employee meals included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					
I. Did you receive revenue from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify cost.
L. Is any revenue collected from these people? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify cost.
O. Is any revenue collected from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
P. Where is the revenue received reported in the Cost Report? (Page/Line Item)					

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

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

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

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C	Report for Year Ended 9/30/2016	Page 19	of 37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*		Lbs.			
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***		Amt. \$			
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***		Lbs.			
		Amt. \$			
3. Personal clothing of residents washed, ironed, and/or processed.***		Lbs.			
		Amt. \$			
4. Repair and/or purchase of linens.***		Lbs.			
		Amt. \$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$	63,400	63,400	
c. Management Services**		\$			
d. Other (Specify)		\$			
<b>3E. Total Laundry Expenditures (3a + b + c + d)</b>		<b>\$</b>	<b>63,400</b>	<b>63,400</b>	
3F. Laundry Questionnaire					
G. Is cost of employee laundry included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
H. Did you receive revenue from employees?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
I. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			
J. Is Cost of laundry provided to persons other than employees or residents included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
K. Did you receive revenue from these people?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
L. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			

\* Do not include salaries from page 10 as part of dollar values recorded in 1, 2, 3, and 4. All allocations should add to total recorded in 3E.  
 \*\* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.  
 \*\*\* Pounds of Laundry only required for multi-level facilities.

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Center		813-C	9/30/2016		20	37
Item		Total	CCNH	RHNS	(Specify)	
4. Housekeeping	Sq. Ft. Serviced					
a. In-House Care	by Personnel					
1. Supplies - Cleaning ( <i>Mops, pails, brooms, etc.</i> )	Amt. \$					
b. Purchased Services ( <i>by contract other than through Management Services</i> ) ( <i>Complete Schedule C-2 att. Page 21</i> )	Sq. Ft. Serviced					
	by Personnel					
	Amt. \$					
c. Management Services*	\$					
d. Other ( <i>Specify</i> ) Housekeeping supplies	\$	539	539			
<b>4E. Total Housekeeping Expenditures (4a + b + c + d)</b>	<b>\$</b>	<b>539</b>	<b>539</b>			
5. Resident Care (Supplies)**						
a. Prescription Drugs***						
1. Own Pharmacy	\$					
2. Purchased from Prescription Drugs	\$	78,579	78,579			
b. Medicine Cabinet Drugs	\$	128,513	128,513			
c. Medical and Therapeutic Supplies	\$					
d. Ambulance/Limousine***	\$	1,470	1,470			
e. Oxygen						
1. For Emergency Use	\$					
2. Other***	\$	16,023	16,023			
f. X-rays and Related Radiological Procedures***	\$	4,558	4,558			
g. Dental ( <i>Not dentists who should be included under salaries or fees</i> )	\$					
h. Laboratory***	\$	8,476	8,476			
i. Recreation	\$	5,408	5,408			
j. Other (Specify)**** See Attached Schedule	\$	4,986	4,986			
<b>5K. Total Resident Care Expenditures (5a - 5j)</b>	<b>\$</b>	<b>248,013</b>	<b>248,013</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.

**Schedule of Other Resident Care**

Description	CCNH	RHNS	(Specify)
	-		
Physical Ther- Supplies	\$ 4,788		
MTG- Staff	\$ 198		
<b>Total Other Resident Care</b>	<b>\$ 4,986</b>	<b>\$ -</b>	<b>\$ -</b>

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

Name of Facility		License No.		Report for Year Ended		Page of		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2016		21   37		
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	Total Cost/Page Ref.***		
		Yes	No			CCNH	RHNS (Specify)	Pg Line
Middletown Laundry, LLC	644 Wallingofrd Road, Durham, CT 06422	<input type="radio"/>	<input checked="" type="radio"/>	Laundry Service		63,400		19 3b
Redi Rooter	P. O. Box 112, Cobalt, CT	<input type="radio"/>	<input checked="" type="radio"/>	Septic Pumping Service		48,496		22 6d
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					

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

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

Name of Facility	License No.	Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 55,060	55,060				
b. Heat	\$ 26,493	26,493				
c. Light & Power	\$ 39,633	39,633				
d. Water	\$ 60,126	60,126				
e. Equipment Lease ( <i>Provide detail on page 6</i> )	\$ 2,363	2,363				
f. Other ( <i>itemize</i> )	\$ 10,707	10,707				
See Attached Schedule						
<b>6g. Total Maint. &amp; Operating Expense (6a - 6f)</b>	<b>\$ 194,382</b>	<b>194,382</b>				
7. Depreciation ( <i>complete schedule page 23*</i> )						
a. Land Improvements	\$ 1,267	1,267				
b. Building & Building Improvements	\$ 18,997	18,997				
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 17,337	17,337				
<b>*7e. Total Depreciation Costs (7a + b + c + d)</b>	<b>\$ 37,601</b>	<b>37,601</b>				
8. Amortization ( <i>Complete att. Schedule Page 24*</i> )						
a. Organization Expense	\$					
b. Mortgage Expense	\$ 351	351				
c. Leasehold Improvements	\$					
d. Other ( <i>Specify</i> )	\$					
<b>*8e. Total Amortization Costs (8a + b + c + d)</b>	<b>\$ 351</b>	<b>351</b>				
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	\$ 49,855	49,855				
b. Real estate taxes paid by lessor	\$					
c. Personal property taxes	\$ 2,457	2,457				
<b>11. Total Property Expenses (7e + 8e + 9 + 10)</b>	<b>\$ 90,264</b>	<b>90,264</b>				

\* 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)
	-		
Hazardous Waste	\$ 2,237		
Outdoor Services	\$ 434		
Plant Operations Maint-Equipment Rental	\$ 8,036		
<b>Total Other Repairs and Maintenance</b>	\$ 10,707	\$ -	\$ -

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### Depreciation Schedule

Name of Facility Cobalt Lodge Health & Rehabilitation Center		License No. 813-C		Report for Year Ended 9/30/2016				Page 23	of 37
Property Item	Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals	
									Yes
<b>A. Land Improvements</b>									
1. Acquired prior to this report period	60,674		60,674	56,735	S/L	Various	1,267		
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
<b>A-4. Subtotal</b>								1,267	
<b>B. Building and Building Improvements</b>									
1. Acquired prior to this report period	1,412,347		1,404,791	1,214,268	S/L	Various	18,997		
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
<b>B-4. Subtotal</b>								18,997	
<b>C. Non-Movable Equipment</b>									
1. Acquired prior to this report period	24,773		24,773	24,773	S/L	Various			
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
<b>C-4. Subtotal</b>									
<b>D. Movable Equipment</b>									
1. Motor Vehicles (Specify name, model and year of each vehicle)									
									Is a mileage logbook maintained?
a. 2015 Ford F-350 (like kind)				57,536		10/2014	11,507		
b.							5,830		
c.									
d.									
<b>2. Movable Equipment</b>									
a. Acquired prior to this report period				269,005	S/L	Various			
b. Disposals (attach schedule)									
c. Acquired during this report period (attach schedule)									
<b>D-3. Subtotal</b>								17,337	
<b>E. Total Depreciation</b>								37,601	

Cobalt Lodge Health & Rehabilitation Center  
9/30/2016

**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>				
<b>Total additions for Building Improvements</b>		\$ -		\$ - *
<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>				
<b>Total additions for Non-Movable Equipment</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Non-Movable Equipment</b>		\$ -		\$ - **

\*Ties to Page 23, Line C3

\*\*Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

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

\*Ties to Page 23, Line D2c

\*\*Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
<b>Additions:</b>				
<b>Total additions for Leasehold Improvement</b>		\$ -		\$ - *
<b>Deletions:</b>				
<b>Total deletions for Leasehold Improvement</b>		\$ -		\$ - **

\*Ties to Page 24, Line C3

\*\*Ties to Page 24, Line C2

Cobalt Lodge Health & Rehabilitation Center  
 Depreciation Schedule  
 FYE September 30, 2016

	Date Acquired	Hist. Costs	Cost to Be Deprec	Method	Life***	2015 Deprec	2015 Accum	2016 Deprec	2016 Accum	NBV
<b>Building and Building Improvements</b>										
<b>Acquired prior</b>										
2005 Acquisition		\$ 1,105,552	\$ 1,105,552	SL	Var	-	1,105,552	-	1,105,552	-
2007 Garage Door Installation	2/2/2006	9,372	9,372	SL	7	-	9,372	-	9,372	-
2007 Garage Door Installation	1/25/2006	1,670	-	N/A	N/A	-	-	-	-	1,670
Windows (Disposed)	4/7/2008	1,500	-	N/A	N/A	-	-	-	-	1,500
Windows (Disposed)	4/21/2008	125	-	N/A	N/A	-	-	-	-	125
Windows (Disposed)	7/15/2008	36	-	N/A	N/A	-	-	-	-	36
Windows (Disposed)	3/31/2008	258	-	N/A	N/A	-	-	-	-	258
Windows (Disposed)	10/18/2007	400	-	N/A	N/A	-	-	-	-	400
Patio		10,427	10,427	SL	10	1,043	7,994	1,043	9,037	1,390
<b>2009 Acquisition</b>										
Water Heaters (2)	5/1/2009	11,162	11,162	SL	7	1,595	-	-	11,162	-
Wallboards	5/30/2009	1,786	-	N/A	N/A	-	-	-	-	1,786
Wood Flooring	8/31/2009	31,196	31,196	SL	15	2,080	14,558	2,080	16,638	14,558
<b>2010 Acquisition</b>										
Flooring	8/1/2010	3,299	3,299	SL	15	220	1,100	220	1,320	1,979
Wallboards	10/21/2009	2,076	-	N/A	N/A	-	-	-	-	2,076
<b>2011 Acquisition</b>										
Wallpaper	10/5/2010	3,551	3,551	SL	5	710	3,551	-	3,551	-
Windows	8/22/2011	-	-	-	-	-	-	-	-	-
Molding and Wainscot	6/9/2011	524	-	N/A	N/A	-	-	-	-	524
Boiler Replacement	8/12/2011	-	-	-	-	-	-	-	-	-
<b>2012 Acquisition</b>										
Building Renovation	10/1/2011	127,236	127,236	S/L	15	8,482.42	33,930	8,482	42,412	84,824
Generator	5/23/2012	73,547	73,547	S/L	15	4,903.11	19,612	4,903	24,516	49,031
Nursing Station	10/6/2011	13,150	13,150	S/L	15	876.69	3,507	877	4,383	8,767
Wallpaper	2/14/2012	4,011	4,011	S/L	7	573.01	2,292	573	2,865	1,146
<b>2013 Acquisitions</b>										
Expensed Assets		(819)	-	N/A	N/A	-	-	-	-	(819)
<b>2014 Acquisitions</b>										
Front Porch - Material	10/8/2013	8,555	8,555	SL	15	570.33	1,140	570	1,711	6,844
Interior Fire Door	1/9/2014	3,733	3,733	SL	15	248.87	498	249	747	2,986
<b>Total</b>		<b>\$ 1,412,347</b>	<b>\$ 1,404,791</b>			<b>21,302</b>	<b>1,214,268</b>	<b>18,997</b>	<b>1,233,265</b>	<b>179,082</b>
<b>Non-Movable Equipment</b>										
<b>Acquired prior</b>										
Boiler Replacement	8/12/2011	\$ 24,773	\$ 24,773	SL	Var	-	24,773	-	24,773	-
<b>Total</b>		<b>\$ 24,773</b>	<b>\$ 24,773</b>			<b>-</b>	<b>24,773</b>	<b>-</b>	<b>24,773</b>	<b>-</b>
<b>Movable Equipment</b>										
<b>Acquired prior</b>										
2006 Acquisitions		\$ 185,762	\$ 185,762	SL	Var	-	185,762	-	185,762	-
Electric Bed	1/31/2006	2,064	-	N/A	N/A	-	-	-	-	2,064
Electric Bed	2/7/2006	2,063	-	N/A	N/A	-	-	-	-	2,063
Head Boards	3/31/2006	602	-	N/A	N/A	-	-	-	-	602
Dell Laptop Computer	8/12/2006	1,344	-	N/A	N/A	-	-	-	-	1,344
Dell Desktop Computer	2/15/2006	1,317	-	N/A	N/A	-	-	-	-	1,317

Accounting Software System	9/1/2006	13,916	13,916	5	SL	13,916	-	-	13,916	-	-	-
<b>2007 Acquisitions</b>												
Electric Beds	11/13/2006	4,392	4,392	5	SL	4,392	-	-	4,392	-	-	-
Head Boards	12/24/2006	517	-	N/A	N/A	-	-	-	-	-	-	517
Head Boards	2/27/2007	551	-	N/A	N/A	-	-	-	-	-	-	551
Furniture Covered Tables (Disposed)	6/1/2007	120	-	N/A	N/A	-	-	-	-	-	-	120
<b>2008 Acquisitions</b>												
Refrigerator	10/9/2007	2,782	2,782	7	SL	2,782	2	-	2,782	-	-	-
Head Deck (Disposed)	10/17/2007	319	-	N/A	N/A	-	-	-	-	-	-	319
Overbed Tables (Disposed)	10/30/2007	288	-	N/A	N/A	-	-	-	-	-	-	288
Head Deck (Disposed)	5/31/2008	147	-	N/A	N/A	-	-	-	-	-	-	147
Gas Grill (Disposed)	7/1/2008	468	-	N/A	N/A	-	-	-	-	-	-	468
Patio Furniture (Disposed)	6/3/2008	600	-	N/A	N/A	-	-	-	-	-	-	600
Dell Lisa's Laptop (Disposed)	5/13/2008	581	-	N/A	N/A	-	-	-	-	-	-	581
Dell Mark's Laptop (Disposed)	10/23/2007	561	-	N/A	N/A	-	-	-	-	-	-	561
Shredder (Disposed)	4/8/2008	113	-	N/A	N/A	-	-	-	-	-	-	113
Deskjet D4260 Printer (Disposed)	6/5/2008	84	-	N/A	N/A	-	-	-	-	-	-	84
Patio Equipment	10/1/2007	2,955	2,955	5	SL	2,955	0	-	2,955	-	-	-
<b>2009 Acquisitions</b>												
Snowblower	12/31/2008	1,908	-	N/A	N/A	-	-	-	-	-	-	1,908
Beds	5/31/2009	10,341	10,341	10	SL	10,341	1,034	1,034	7,239	1,034	-	2,068
Patio Furniture	5/31/2009	509	-	N/A	N/A	-	-	-	-	-	-	509
Refrigerators	8/26/2009	1,459	-	N/A	N/A	-	-	-	-	-	-	1,459
<b>2010 Acquisitions</b>												
2009 Ford F-250 (Disposed)	11/19/2009	49,835	49,835	5	SL	49,835	9,967	9,967	39,868	9,967	-	-
Bariatric Bed	8/15/2010	3,728	3,728	7	SL	3,728	533	533	3,195	533	-	-
Beds	11/2/2009	7,690	7,690	7	SL	7,690	1,099	1,099	6,591	1,099	-	-
<b>2011 Acquisitions</b>												
Satellite	4/4/2011	2,849	2,849	5	S/L	2,849	570	-	2,849	-	-	-
Hand Controls	5/12/2011	372	-	N/A	N/A	-	-	-	-	-	-	372
Delivery Carts	10/28/2010	1,025	-	N/A	N/A	-	-	-	-	-	-	1,025
Satellite TV Install	5/31/2011	8,295	8,295	5	SL	8,295	1,659	-	8,295	-	-	-
Bariatric Bed	10/27/2010	674	-	N/A	N/A	-	-	-	-	-	-	674
5 Electric Beds	10/29/2010	1,611	-	N/A	N/A	-	-	-	-	-	-	1,611
Snowblower	10/8/2010	709	-	N/A	N/A	-	-	-	-	-	-	709
Computer equipment	11/8/2010	992	-	N/A	N/A	-	-	-	-	-	-	992
Electric Beds	9/30/2011	3,796	3,796	5	SL	3,796	759	-	3,796	-	-	-
<b>2012 Acquisition</b>												
2011 Ford F-350 (like kind) (disposed)	10/19/2011	63,599	63,599	5	S/L	63,599	12,720	12,720	49,819	12,720	-	-
Laptops	2/14/2012	1,487	-	N/A	N/A	-	-	-	-	-	-	1,487
Freezers	9/30/2012	1,223	-	N/A	N/A	-	-	-	-	-	-	1,223
Oxygen Equipment	7/18/2012	3,047	3,047	5	S/L	3,047	609	609	2,438	609	-	-
Wanderguard Security System	1/25/2012	1,640	-	N/A	N/A	-	-	-	-	-	-	1,640
<b>2013 Acquisition</b>												
Air Conditioners	7/18/2013	915	915	5	S/L	915	183	183	396	183	-	335
Air Conditioners	7/4/2013	679	679	5	S/L	679	136	136	305	136	-	237
Security Cameras	5/21/2013	1,495	1,495	7	S/L	1,495	214	214	498	214	-	782.86
<b>2013 Corrections to Depreciation Sched</b>												
Disposed Furniture Covered Tables	10/1/2008	(120)	-	N/A	N/A	-	-	-	-	-	-	(120.00)
Expensed Items (From 2008)		(3,161)	-	N/A	N/A	-	-	-	-	-	-	(3,160.81)
Beds (Missing from 2008)	8/30/2008	2,414	2,414	10	S/L	2,414	241	241	1,931	241	-	2,173
Patio Furniture (Missing from 2008)	7/31/2008	5,040	5,040	5	S/L	5,040	(1,008)	-	5,040	-	-	241.41
Disposal 2009 Ford F-250 (Missing '12)		(49,835)	(49,835)	5	S/L	(49,835)	(9,967)	(9,967)	(39,868)	(9,967)	-	-
<b>2015 Acquisition</b>												
2015 Ford F-350 (like kind)	10/1/2014	57,536	57,536	5	S/L	57,536	11,507	11,507	11,507	11,507	-	34,521.60
Steam Table	11/21/2014	5,300	5,300	5	S/L	5,300	1,060	1,060	1,060	1,060	-	3,180





State of Connecticut  
**Annual Report of Long-Term Care Facility**  
 CSP-24 Rev. 10/2006

**Amortization Schedule\***

Name of Facility		License No.		Report for Year Ended		Page	of		
Cobalt Lodge Health & Rehabilitation Center		813-C		9/30/2016		24	37		
Item	Date of Acquisition		Length of Amortization	Cost to Be Amortized	Accumulated Amort. to Beginning of Year's Operations	Basis for Computing Amortization**	Rate %	Amortization for This Year	Totals
	Month	Year							
<b>A. Organization Expense</b>									
1.									
2.									
3.									
<b>A-4. Subtotal</b>									
<b>B. Mortgage Expense</b>									
1. Refinancing	9	2001	15	5,538	5,187	S/L	7	351	
2.									
3.									
<b>B-4. Subtotal</b>									351
<b>C. Leasehold Improvements and Other</b>									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
<b>C-4. Subtotal</b>									
<b>D. Total Amortization</b>									351

\* 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 Cobalt Lodge Health & Rehabilitation	License No. 813-C	Report for Year Ended 9/30/2016	Page 25	of 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="radio"/> Yes	<input type="radio"/> No	If "Yes," complete Part B. If "No," complete Part C.	
*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction.					
Description	Total				
1. Date Land Purchased					
2. Date Structure Completed					
3. If NOT Original Owner, Date of Purchase	07/01/68				
4. Date of Initial Licensure	07/01/68				
5. Total Licensed Bed Capacity	60				
6. Square Footage	26,047				
7. Acquisition Cost					
a. Land	25,000				
b. Building	60,000				
<b>Part B - Owner and Related Parties</b>		1st Mortgage	2nd Mortgage	3rd Mortgage	4th Mortgage
1. Financing					
a. Type of Financing (e.g., fixed, variable)	Fixed				
b. Date Mortgage Obtained	09/22/11				
c. Interest Rate for the Cost Year	4.50%				
d. Term of Mortgage (number of years)	10				
e. Amount of Principal Borrowed	550,000				
f. Principal balance outstanding as of 9/30/2016	459,273				
<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.

**Annual Report of Long-Term Care Facility**

CSP-26 Rev. 6/95

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

Name of Facility		License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation		813-C	9/30/2016		26	37
Item			Total	CCNH	RHNS	(Specify)
12. Interest						
A. Building, Land Improvement & Non-Movable Equipment						
1. First Mortgage			\$ 25,115	25,115		
Name of Lender		Rate				
Address of Lender						
2. Second Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
3. Third Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
4. Fourth Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
B. CHEFA Loan Information						
1. Original Loan Amount			\$			
2. Loan Origination Date						
3. Interest Rate %						
4. Term						
5. CHEFA Interest Expense						
12 B7. <b>Total Building Interest Expense</b> (A1 - A4 + B5)			\$ 25,115	25,115		

(Carry Subtotals forward to next page)

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

Name of Facility		License No.		Report for Year Ended			Page	of
Cobalt Lodge Health & Rehabilitat		813-C		9/30/2016			27	37
Item				Total	CCNH	RHNS	(Specify)	
Subtotals Brought Forward:				25,115	25,115			
12. C. Movable Equipment								
1. Automotive Equipment				\$				
A. Item		Rate	Amount					
Lender								
Address of Lender								
2. Other (Specify)				\$				
A. Item		Rate	Amount					
Lender								
Address of Lender								
B. Item		Rate	Amount					
Lender								
Address of Lender								
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)				\$				
12. D. Other Interest Expense (Specify)				\$	4,011	4,011		
Interest - LOC								
13. <b>Total All Interest Expense</b> (12B7 + 12C3 + 12D)				\$	29,126	29,126		
14. Insurance								
a. Insurance on Property (buildings only)				\$	25,564	25,564		
b. Insurance on Automobiles				\$	4,323	4,323		
c. Insurance other than Property (as specified above)								
1. Umbrella (Blanket Coverage)				\$				
2. Fire and Extended Coverage				\$				
3. Other (Specify)				\$				
14d. <b>Total Insurance Expenditures</b> (14a + b + c)				\$	29,887	29,887		
15. <b>Total All Expenditures</b> (A-13 thru C-14)				\$	4,929,291	4,929,291		

### D. Adjustments to Statement of Expenditures

Name of Facility			License No.	Report for Year Ended	Page	of	
Cobalt Lodge Health & Rehabilitation Center			813-C	9/30/2016	28	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	\$			
4.			Other - See attached Schedule	\$ 48,711	48,711		
<b>Page 13 - Professional Fees</b>							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 146,596	146,596		
7.			Other - See attached Schedule	\$			
<b>Pages 15 &amp; 16 - Administrative and General</b>							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$			
10.	15	1e	Accounting & Legal	\$ 22,124	22,124		
11.	15	1h1	Telephone	\$ 6,590	6,590		
12.			Cellular Telephone	\$			
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.			Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$			
17.	16	L7	Automobile Expense (e.g. personal use)	\$ 7,865	7,865		
18.	16	m2/3	Unallowable Advertising *	\$ 18,075	18,075		
19.			Income Tax / Corporate Business Tax	\$			
20.	16	m10	Fund Raising / Contributions	\$ 3,395	3,395		
21.			Unallowable Management Fees	\$			
22.	16	m6	Barber and Beauty	\$ 500	500		
23.			Other - See attached Schedule	\$ 14,279	14,279		
<b>Page 18 - Dietary Expenditures</b>							
24.			Meals to employees, guests and others who are not residents	\$			
<b>Page 19 - Laundry Expenditures</b>							
25.			Laundry services to employees, guests and others who are not residents	\$			
<b>Page 20 - Housekeeping Expenditures</b>							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 268,135	268,135		

\* All except "Help Wanted".

*(Carry Subtotal forward to next page)*

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

**Schedule of Other Salaries Adjustment**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
10	A3	Non-allowable Assistant Admin/Marketing salary	\$ 48,711		
<b>Total Other Salaries Adjustment</b>			\$ 48,711	\$ -	\$ -

**Schedule of Fees Adjustments**

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

**Schedule of Other A&G Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	L7	Meals/Entertain (Self-disallow)	\$ 100		
16	L7	Travel & Entertainment (Self-disallow)	\$ 10,574		
16	m13	Prior Period Adjustment (Self-disallow)	\$ (7,394)		
16	m13	Fines and Penalties (self-disallow)	\$ 220		
16	L4	Employee Travel - Marketing	\$ 2,181		
15	k2	Provision State Tax (Self-disallow)	\$ 940		
15	Var	Disallowed Marketing Fringe Benefits	\$ 7,658		
<b>Total Other A&amp;G Adjustments</b>			\$ 14,279	\$ -	\$ -

**Cobalt Lodge 2016 Cost Report**  
**Calculation of Allowable Cell Phone Expense**  
**September 30, 2016**

<b>Beds</b>	<b># of Allowable Cell Phones</b>
1-100	3
101-200	4
201-300	5
301-400	6

Total Bed Capacity	60
# of Allowable Cell Phones	3

<u>Allowable Cell Phone Expense (per cell phone):</u>	
per month	\$ 30
per year	\$ 360

<b>Page 15 Line 1h2</b>	<u><b>Amount</b></u>
Cell Phone expense per TB	\$ 110
Allowable Cell Phone expense	\$ 1,080
<b>Disallowed Cell Phone expense</b>	<u><u>\$ -</u></u> <b>Page 28 Line 12</b>



**Cobalt Lodge Health & Rehabilitation Center**  
**Telephone Disallowance**  
**9/30/2016**

Pg 28c

**To disallow telephone expenses associated with resident rooms**

Total Telephone Expense	8,238	TB Linked
Number of Resident Phones	60	
Total Phones in Facility	<u>75</u>	
Disallowance %	80%	
<b>Telephone Disallowance</b>	<b>6,590</b>	Pg 28, Line 11

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

Name of Facility				License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center				813-C	9/30/2016	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 268,135	268,135		
<b>Page 20 - Resident Care Supplies***</b>							
27.	20	5a1/2	Prescription Drugs	\$ 78,579	78,579		
28.	20	5d	Ambulance/Limousine	\$ 1,470	1,470		
29.	20	5f	X-rays, etc	\$ 4,558	4,558		
30.	20	5h	Laboratory	\$ 8,476	8,476		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 16,023	16,023		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$			
<b>Page 22 - Maintenance and Property</b>							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
36.			Depreciation on Unallowable Motor Vehicles	\$			
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 5,411	5,411		
<b>Page 27 - Insurance</b>							
40.	22	8e	Mortgage Insurance	\$ 351	351		
41.	27	14b	Property Insurance	\$ 4,323	4,323		
<b>Other - Miscellaneous</b>							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$			
<b>Not For Profit Providers Only</b>							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
<b>51. Total Amount of Decrease (Items 1 - 50)</b>				\$ 387,326	387,326		

\*\*\* 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.

Cobalt Lodge Health & Rehabilitation Center  
9/30/2016

**Schedule of Other Ancillary Costs**

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

**Schedule of Excess Movable Equipment Depreciation**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
<b>Total Excess Movable Equipment Depreciation</b>			\$ -	\$ -	\$ -

**Schedule of Other Property Adjustments**

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	6a	Vehicle Repair and Maintenance (See attached)	\$ 3,434		
22	10c	Personal Property (House & Autos) Taxes	\$ 1,977		
<b>Total Other Property Adjustments</b>			\$ 5,411	\$ -	\$ -

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

Schedule of Unallowable Building Interest

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

**Cobalt Lodge Health & Rehabilitation Center**  
**Cable TV Disallowance**  
**September 30, 2016**

Total Monthly Fee Allowed	\$	300	
Total Months		<u>12</u>	
Total Allowable Expense	\$	3,600	
Total Cable TV Expense	\$	3,535	TB Linked
Allowable Expense		<u>3,600</u>	
<b>Disallowed Expense</b>	<b>\$</b>	<b><u>-</u></b>	

**Cobalt Lodge Health & Rehabilitation Center**

Vehicle Disallowances

9/30/2016

Totals for BMW		
Account	Description	Amount
22.511	Car Payments	13,554
92.233	Taxes	1,020
	Total	\$14,574

Personal Property taxes pg. 29a

Totals for Ford		
Account	Description	Amount
22.530	Car Payments	12,525
92.243	Insurance	4,323
92.233	Taxes	957
82.146	Car Maintenance	3,434
88.178	Fuel	7,865
	Total	\$29,104

Property Insurance Disallowed on pg. 29

Personal Property taxes pg. 29a

Vehicle Rpairs and Maintenance pg. 29a

Auto Expense pg. 28

**F. Statement of Revenue**

Name of Facility	License No.	Report for Year Ended		Page	of
Cobalt Lodge Health & Rehabilitation Ce 813-C		9/30/2016		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> )	\$ 2,785,151	2,785,151			
b. Medicaid Room and Board Contractual Allowance **	\$				
2. a. Medicaid ( <i>All other states</i> )	\$				
b. Other States Room and Board Contractual Allowance **	\$				
3. a. Medicare Residents ( <i>all inclusive</i> )	\$ 1,219,119	1,219,119			
b. Medicare Room and Board Contractual Allowance **	\$				
4. a. Private-Pay Residents and Other	\$ 1,434,535	1,434,535			
b. Private-Pay Room and Board Contractual Allowance **	\$				
<b>II. Other Resident Revenue</b>					
1. a. Prescription Drugs - Medicare	\$				
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (146,762)	(146,762)			
c. Prescription Drugs - Non-Medicare	\$ 146,762	146,762			
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$				
2. a. Medical Supplies - Medicare	\$				
b. Medical Supplies - Medicare Contractual Allowance **	\$				
c. Medical Supplies - Non-Medicare	\$				
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$				
3. a. Physical Therapy - Medicare	\$				
b. Physical Therapy - Medicare Contractual Allowance **	\$				
c. Physical Therapy - Non-Medicare	\$ 684,472	684,472			
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (684,472)	(684,472)			
4. a. Speech Therapy - Medicare	\$				
b. Speech Therapy - Medicare Contractual Allowance **	\$				
c. Speech Therapy - Non-Medicare	\$ 243,892	243,892			
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$ (243,892)	(243,892)			
5. a. Occupational Therapy - Medicare	\$				
b. Occupational Therapy - Medicare Contractual Allowance **	\$				
c. Occupational Therapy - Non-Medicare	\$ 641,786	641,786			
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (641,786)	(641,786)			
6. a. Other ( <i>Specify</i> ) - Medicare	\$				
b. Other ( <i>Specify</i> ) - Non-Medicare	\$				
<b>III. Total Resident Revenue</b> (Section I. thru Section II.)	\$ 5,438,805	5,438,805			
<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> )	\$				
6. Private Duty Nurses' Fees	\$				
7. Barber, Coffee, Beauty and Gift shops	\$				
8. Other ( <i>Specify</i> )	\$ 578	578			
<b>V. Total Other Revenue</b> (1 thru 8)	\$ 578	578			
<b>VI. Total All Revenue</b> (III +V)	\$ 5,439,383	5,439,383			

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

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

**Schedule of Other Resident Revenue - Medicare**

**Related Exp**

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

**Schedule of Other Non-Medicare Resident Revenue**

**Related Exp**

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

**Interest Income**

**Account**

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
	<b>Total Interest Income</b>		\$ -	\$ -	\$ -

**Schedule of Other Revenue**

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
	OXYGEN EXPENSE-PURCH	\$ 1,027		
	Oxygen adjustment	\$ (1,027)		
	Purchase Discount	\$ 578		
	<b>Total Other Revenue</b>	\$ 578	\$ -	\$ -



### G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C	813-C	9/30/2016	31	37
Account			Amount	
<b>Assets</b>				
A. Current Assets				
1. Cash ( <i>on hand and in banks</i> )			\$	346,288
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	1,086,669
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	14,106
a. Insurance -Property	7,346			
b. Insurance - Liability	6,760			
c. _____				
d. _____				
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets ( <i>itemize</i> )			\$	
_____				
_____				
_____				
<b>A-9. Total Current Assets</b> (Lines A1 thru 8)			\$	1,447,063
B. Fixed Assets				
1. Land			\$	25,000
2. Land Improvements	*Historical Cost	60,674	\$	2,672
	Accum. Depreciation	58,002		Net
3. Buildings	*Historical Cost	1,412,347	\$	179,082
	Accum. Depreciation	1,233,265		Net
4. Leasehold Improvements	*Historical Cost		\$	
	Accum. Depreciation			Net
5. Non-Movable Equipment	*Historical Cost	24,773	\$	
	Accum. Depreciation	24,773		Net
6. Movable Equipment	*Historical Cost	291,073	\$	31,079
	Accum. Depreciation	259,994		Net
7. Motor Vehicles	*Historical Cost	57,536	\$	34,522
	Accum. Depreciation	23,014		Net
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets ( <i>itemize</i> )			\$	70,667
F/S vs C/R Depreciation	2,422			
Work in Process	68,245			
<b>B-10. Total Fixed Assets</b> (Lines B1 thru 9)			\$	343,022

\* 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 Cobalt Lodge Health & Rehabilitation C	License No. 813-C	Report for Year Ended 9/30/2016	Page 32	of 37
Account			Amount	
Total Brought Forward:			\$ 1,790,085	
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 <b>Total Leasehold or Like Properties</b> (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> )			\$ 5,909	
Refinancing Closing Cost			5,909	
_____				
D-8. <b>Total Investments and Other Assets</b> (Lines D1 thru 7)			\$ 5,909	
D-9. <b>Total All Assets</b> (Lines A9 + B10 + C8 + D8)			\$ 1,795,994	

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

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

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation Center	813-C	9/30/2016	33	37
Account			Amount	
<b>Liabilities</b>				
A. Current Liabilities				
1. Trade Accounts Payable			\$	266,877
2. Notes Payable ( <i>itemize</i> )			\$	256,151
Notes & Loans				219,534
2011 Ford F350				36,617
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> )			\$	72,193
5. Accrued Payroll ( <i>Owners and/or Stockholders only</i> )			\$	
6. Accrued Payroll Taxes Payable			\$	
7. Medicare Final Settlement Payable			\$	
8. Medicare Current Financing Payable			\$	
9. Mortgage Payable ( <i>Current Portion</i> )			\$	
10. Interest Payable ( <i>Exclusive of Owner and/or Related Parties</i> )			\$	
11. Accrued Income Taxes*			\$	
12. Other Current Liabilities ( <i>itemize</i> )			\$	90,869
State Excise or B & O Tax				90,869
<b>A-13. Total Current Liabilities (Lines A1 thru 12)</b>			<b>\$</b>	<b>686,090</b>

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

*(Carry Total forward to next page)*

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

Name of Facility Cobalt Lodge Health & Rehabilitation Cent		License No. 813-C	Report for Year Ended 9/30/2016	Page 34	of 37	
Account				Amount		
Total Brought Forward:				686,090		
<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						
\$						
3. Loans from Owners or Related Parties ( <i>itemize</i> )						
\$						
Name and Address of Lender		Amount	Loan Date			
4. Other Long-Term Liabilities ( <i>itemize</i> )						
Renovation Loan Citizens Bank		459,273				
Septic Loan Citizens Bank		173,450				
\$ 632,723						
B-5. <b>Total Long-Term Liabilities</b> (Lines B1 thru 4)				\$ 632,723		
C. <b>Total All Liabilities</b> (Lines A-13 + B-5)				\$ 1,318,813		

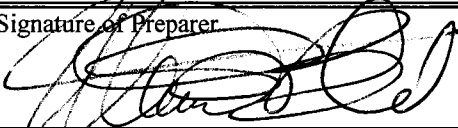
**G. Balance Sheet (cont'd)**  
**Reserves and Net Worth**

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation	813-C	9/30/2016	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 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			\$	5,000
3. Paid-in Surplus			\$	
4. Treasury Stock			\$	
5. Cumulated Earnings			\$	(9,248)
6. Gain or Loss for Period			\$	481,428
				10/1/2015 thru 9/30/2016
7. Total Net Worth			\$	477,180
<b>C. Total Reserves and Net Worth</b>			\$	477,180
<b>D. Total Liabilities, Reserves, and Net Worth</b>			\$	1,795,994

### H. Changes in Total Net Worth

Name of Facility	License No.	Report for Year Ended	Page	of
Cobalt Lodge Health & Rehabilitation C	813-C	9/30/2016	36	37
<b>Account</b>			<b>Amount</b>	
A. Balance at End of Prior Period as shown on Report of 09/30/2015			\$	112,979
B. Total Revenue ( <i>From Statement of Revenue Page 30</i> )			\$	5,439,383
C. Total Expenditures ( <i>From Statement of Expenditures Page 27</i> )			\$	4,957,955
D. Net Income or Deficit			\$	481,428
E. Balance			\$	594,407
F. Additions				
1. Additional Capital Contributed ( <i>itemize</i> )				
Expenses Per Page 27	\$4,929,291			
F/S vs C/R Depreciation	28,666			
Rounding	-2			
Expenses Per F/S	\$4,957,955			
2. Other ( <i>itemize</i> )				
Prior Period Audit Adjustment		153,747		
F-3. Total Additions			\$	153,747
G. Deductions				
1. Drawings of Owners/Operators/Partners ( <i>Specify</i> )			\$	
Name and Address ( <i>No., City, State, Zip</i> )	Title	Amount		
2. Other Withdrawings ( <i>Specify</i> )			\$	270,974
Purpose		Amount		
Distributions - TPZ, MPZ		246,674		
Distributions - JZ		24,300		
3. Total Deductions			\$	270,974
H. <b>Balance at End of Period</b>			\$	477,180
		09/30/16		

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

Name of Facility Cobalt Lodge Health & Rehabilitation		License No. 813-C	Report for Year Ended 9/30/2016	Page 37	of 37
<i>Check appropriate category</i>					
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)		<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)		<input type="checkbox"/> (Specify)	
<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 		Title PRINCIPAL		Date Signed 2/2/17	
Printed Name of Preparer Matthew S. Bovolack					
Address 555 Long Wharf Drive, New Haven, CT 06511				Phone Number 203-781-9600	

Subject to the attached accountants' consulting report

**ACCOUNTANTS' CONSULTING REPORT**

Management is responsible for the accompanying **Annual Report of Long-Term Care Facility** (the "Cost Report") for **Cobalt Lodge Health & Rehabilitation Center** for the year ended **September 30, 2016** included in the accompanying prescribed form. We have prepared the Cost Report in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services. The Cost Report was prepared in conformity with regulations prescribed by The State of CT Department of Social Services (DSS) from data provided to us by the management of **Cobalt Lodge Health & Rehabilitation Center**. We did not audit or review the Cost Report included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the Cost Report included in the accompanying prescribed form.

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

This report is intended solely for the information and use of the management of **Cobalt Lodge Health & Rehabilitation Center** and DSS and is not intended to be, and should not be, used by anyone other than these specified parties.

**MARCUM LLP**

New Haven, CT  
February 2, 2017



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

**Facility Name** Cobalt Lodge Health & Rehabilitation Center

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

Yes No

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

**Explanation:** \_\_\_\_\_

\_\_\_\_\_

Yes No

2. Are the methods of allocating costs consistent with cost year 2015? If not, explain the reporting change.

**Explanation:** \_\_\_\_\_

\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_

\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_

\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

6. During cost year 2016, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from cost year 2015?

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

**Explanation:** \_\_\_\_\_  
\_\_\_\_\_

Yes No

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

Explanation:

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Yes No

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

Explanation:

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Yes No

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

Explanation:

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Yes No

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

Explanation:

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Yes No

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

Explanation:

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Yes No

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

Explanation:

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Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2016 Cost Report**  
 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
10.100	CASH- PETTY CASH	1,270.66			1,270.66	0.00
10.105	CASH - REC	75.00			75.00	0.00
10.110	CASH - OPERATING ACCOUNT	203,552.75			203,552.75	0.00
10.140	CASH - PAYROLL ACCOUNT	2,613.47			2,613.47	0.00
10.170	CASH - Project Holding Account	138,776.51			138,776.51	0.00
10100	CASH- PETTY CASH	0.00			0.00	245.66
10105	CASH - REC	0.00			0.00	75.00
10110	CASH - OPERATING ACCOUNT	0.00			0.00	110,105.39
10140	CASH - PAYROLL ACCOUNT	0.00			0.00	1,165.82
10170	CASH - Project Holding Account	0.00			0.00	1,025.00
11.100	Private	223,959.27			223,959.27	0.00
11.120	Medicare	79,417.28			79,417.28	0.00
11.130	Medicaid	259,400.84			259,400.84	0.00
11.160	Commercial	90,256.13			90,256.13	0.00
11.170	ALLOWANCE FOR BAD DEBT	(10,250.00)			(10,250.00)	0.00
11.486	DUE FROM AFFILIATES	443,885.28			443,885.28	0.00
11100	Private	0.00			0.00	130,474.63
11120	Medicare	0.00			0.00	122,562.61
11130	Medicaid	0.00			0.00	277,136.93
11160	Commercial	0.00			0.00	49,620.11
11170	ALLOWANCE FOR BAD DEBT	0.00			0.00	(10,250.00)
11486	DUE FROM AFFILIATES	0.00			0.00	253,500.00
12130	MEDICAID CREDITS ACCTS REC.	0.00			0.00	(7,644.09)
14.310	INSURANCE - PROPERTY	7,346.33			7,346.33	0.00
14.320	INSURANCE - LIABILITY	6,760.00			6,760.00	0.00
14310	INSURANCE - PROPERTY	0.00			0.00	6,136.00
14320	INSURANCE - LIABILITY	0.00			0.00	6,500.00
15.000	LAND	25,000.00			25,000.00	0.00
15.050	LAND IMPROVEMENTS	103,178.97			103,178.97	0.00
15.100	BUILDINGS	61,013.06			61,013.06	0.00
15.110	BUILDING IMPROVEMENTS	594,514.37			594,514.37	0.00
15.120	BUILDING ADDITION	774,191.21			774,191.21	0.00
15.125	Work in Process	68,244.52			68,244.52	0.00
15.250	FURNITURE & EQUIPMENT	131,814.05			131,814.05	0.00
15.253	OFFICE EQUIPMENT	69,814.26			69,814.26	0.00
15.254	KITCHEN EQUIPMENT	34,488.09			34,488.09	0.00
15.255	LAUNDRY EQUIPMENT	3,738.13			3,738.13	0.00
15.256	NURSING EQUIPMENT	112,923.45			112,923.45	0.00
15.257	HOUSEKEEPING	4,608.31			4,608.31	0.00
15.280	MINOR EQUIPMENT	22,023.00			22,023.00	0.00
15000	LAND	0.00			0.00	25,000.00
15050	LAND IMPROVEMENTS	0.00			0.00	103,178.97
15100	BUILDINGS	0.00			0.00	61,013.06
15110	BUILDING IMPROVEMENTS	0.00			0.00	594,514.37
15120	BUILDING ADDITION	0.00			0.00	774,191.21
15125	Work in Process	0.00			0.00	8,244.52
15250	FURNITURE & EQUIPMENT	0.00			0.00	131,814.05
15253	OFFICE EQUIPMENT	0.00			0.00	69,814.26
15254	KITCHEN EQUIPMENT	0.00			0.00	34,488.09
15255	LAUNDRY EQUIPMENT	0.00			0.00	3,738.13
15256	NURSING EQUIPMENT	0.00			0.00	112,923.45
15257	HOUSEKEEPING	0.00			0.00	4,608.31
15280	MINOR EQUIPMENT	0.00			0.00	22,023.00
16.050	LAND IMPROVEMENTS	(60,673.85)			(60,673.85)	0.00
16.100	BUILDINGS	(1,236,496.46)			(1,236,496.46)	0.00
16.256	NURSING EQUIPMENT	(365,359.46)			(365,359.46)	0.00
16.404	REFINANCING CLOSING COST A	5,909.00			5,909.00	0.00
16050	LAND IMPROVEMENTS	0.00			0.00	(58,349.63)
16100	BUILDINGS	0.00			0.00	(1,200,775.55)
16256	NURSING EQUIPMENT	0.00			0.00	(337,969.06)
16404	REFINANCING CLOSING COST A	0.00			0.00	7,090.80
21.000	TRADE ACCOUNTS	(266,877.24)			(266,877.24)	0.00

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
21.331	PAYROLL ACCRUED	(72,193.35)			(72,193.35)	0.00
21.921	STATE EXCISE OR B & O TAX	(90,869.00)			(90,869.00)	0.00
21000	TRADE ACCOUNTS	0.00			0.00	(281,132.73)
21331	PAYROLL ACCRUED	0.00			0.00	(48,296.15)
21333	PAYROLL CLEARING & PENSION	0.00			0.00	(8,098.69)
21748	PENSION	0.00			0.00	(10,000.00)
21921	STATE EXCISE OR B & O TAX	0.00			0.00	(90,827.00)
22.511	NOTES & LOANS	(219,534.00)			(219,534.00)	0.00
22.531	2011 FORD F350	(36,616.64)			(36,616.64)	0.00
22.730	Renovation Loan Citizens Bank	(459,272.91)			(459,272.91)	0.00
22.740	Septic Loan Citizens Bank	(173,450.44)			(173,450.44)	0.00
22511	NOTES & LOANS	0.00			0.00	(159,534.00)
22531	2011 FORD F350	0.00			0.00	(47,030.61)
22640	Renovation Loan Citizens Bank	0.00			0.00	(481,067.53)
29.501	Distribution TPZ, MPZ	246,673.99			246,673.99	0.00
29.502	Distribution JZ	24,300.00			24,300.00	0.00
29501	Distribution TPZ, MPZ	0.00			0.00	1,898,223.64
29502	Distribution JZ	0.00			0.00	518,392.67
35.101	COMMON STOCK	(5,000.00)			(5,000.00)	0.00
35.301	RETAINED EARNINGS	(261,725.35)			(261,725.35)	0.00
35101	COMMON STOCK	0.00			0.00	(5,000.00)
35301	RETAINED EARNINGS	0.00			0.00	(2,518,063.01)
41.101	Private	(1,364,459.00)			(1,364,459.00)	0.00
41.208	Medicare	(1,219,119.11)			(1,219,119.11)	0.00
41.301	Medicaid	(2,597,502.46)			(2,597,502.46)	0.00
41.392	ADJ REV-OTHER	(187,648.85)			(187,648.85)	0.00
41.401	Commercial	(70,075.93)			(70,075.93)	0.00
41101	Private	0.00			0.00	(1,394,362.69)
41208	Medicare	0.00			0.00	(1,026,410.19)
41301	Medicaid	0.00			0.00	(2,384,568.20)
41392	ADJ REV-OTHER	0.00			0.00	(3,985.66)
41401	Commercial	0.00			0.00	(162,188.20)
51.032	PHARMACY - Medicaid	(73,380.63)		(73,381.00)	(146,761.63)	0.00
51.038	Pharmacy Contra Medicaid	73,380.63		73,381.00	146,761.63	0.00
51032	PHARMACY REVENUE - W	0.00			0.00	(112,191.00)
51038	ADJUSTMENT TO REV-PHARMACY	0.00			0.00	112,191.00
52.022	PHYS THERAPY REV-Med A	(342,236.05)		(342,236.00)	(684,472.05)	0.00
52.028	ADJ TO REV-PHY THER	342,236.05		342,236.00	684,472.05	0.00
52022	PHYS THERAPY REV	0.00			0.00	(258,163.00)
52028	ADJ TO REV-PHY THER	0.00			0.00	258,163.00
53.497	OXYGEN EXPENSE-PURCH	(1,027.00)		(1,027.00)	(2,054.00)	0.00
53.498	Oxygen adjustment	1,027.00		1,027.00	2,054.00	0.00
53497	OXYGEN EXPENSE-PURCH	0.00			0.00	(872.00)
53498	Oxygen adjustment	0.00			0.00	872.00
54.028	LAB ADJ TO REV	(13,693.47)		(13,693.00)	(27,386.47)	0.00
54.097	LABORATORY EXPENSE-P	13,693.47		13,693.00	27,386.47	0.00
54.522	X-RAY REVENUE-M	(3,016.62)		(3,017.00)	(6,033.62)	0.00
54.528	ADJSTMNT TO REV-X-RAY	3,016.62		3,017.00	6,033.62	0.00
54028	LAB ADJ TO REV	0.00			0.00	(15,546.00)
54097	LABORATORY EXPENSE-P	0.00			0.00	15,546.00
54522	X-RAY REVENUE-M	0.00			0.00	(901.00)
54528	ADJSTMNT TO REV-X-RAY	0.00			0.00	901.00
55.068	ADJ TO REV-OCCUP THERAPY Med B	320,893.29		320,893.00	641,786.29	0.00
55.093	OT SALARIES THERAPIES	(320,893.29)		(320,893.00)	(641,786.29)	0.00
55.522	SPEECH THER REVENUE	(121,945.90)		(121,946.00)	(243,891.90)	0.00
55.528	ADJ TO REV-SPEECH THERAPY	121,945.90		121,946.00	243,891.90	0.00
55068	ADJ TO REV-OCCUP THERAPY	0.00			0.00	241,293.00
55093	OT SALARIES THERAPIES	0.00			0.00	(241,293.00)
55522	SPEECH THER REVENUE	0.00			0.00	(87,472.00)
55528	ADJ TO REV-SPEECH THERAPY	0.00			0.00	87,472.00
58.250	Purchase Discount	(578.15)			(578.15)	0.00
60.030	LAB - PURCH SERV	8,475.78			8,475.78	0.00
60.040	XRAY - PURCH SERV	4,557.97			4,557.97	0.00
60030	LAB - PURCH SERV	0.00			0.00	10,494.82
60040	XRAY - PURCH SERV	0.00			0.00	1,766.12
61.010	DRUGS	78,579.48			78,579.48	0.00

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
61010	DRUGS	0.00			0.00	130,052.14
62.020	OXYGEN SUPPLIES	14,769.98			14,769.98	0.00
62.040	OXYGEN PURCHASED SERVICES	1,253.49			1,253.49	0.00
62020	OXYGEN SUPPLIES	0.00			0.00	13,383.84
62040	PURCHASED SERVICES	0.00			0.00	2,360.23
71.050	Salaries - Beauty & Hairdresser	500.00			500.00	0.00
71.100	SALARIES - DNS	93,199.14			93,199.14	0.00
71.103	SALARIES - R.N.S.	298,649.76			298,649.76	0.00
71.105	SALARIES - L.P.N.S OR L.V.N.S	301,162.09			301,162.09	0.00
71.111	SALARIES - AIDES & ORDERLIES	565,080.74			565,080.74	0.00
71.115	SALARIES - NURS ADM	175,037.67			175,037.67	0.00
71.135	SUPPLIES - NURSING	128,512.50			128,512.50	0.00
71.141	CONTRACTED LABOR-R.N.S.	68,416.20			68,416.20	0.00
71.142	CONTRACTED LABOR-L.P.N.S.	32,294.37			32,294.37	0.00
71.143	CONTRACTED LABOR-AIDES & ORDER	128,465.89			128,465.89	0.00
71.177	PATIENT TRANSPORTATION	1,470.26			1,470.26	0.00
71050	Salaries - Beauty & Barber	0.00			0.00	502.00
71100	SALARIES - DNS	0.00			0.00	95,785.71
71103	SALARIES - R.N.S.	0.00			0.00	274,494.39
71105	SALARIES - L.P.N.S OR L.V.N.S	0.00			0.00	257,502.34
71111	SALARIES - AIDES & ORDERLIES	0.00			0.00	547,727.30
71115	SALARIES - NURS ADM	0.00			0.00	166,912.48
71135	SUPPLIES - NURSING	0.00			0.00	121,414.09
71141	CONTRACTED LABOR-R.N.S.	0.00			0.00	105,500.57
71142	CONTRACTED LABOR-L.P.N.S.	0.00			0.00	33,585.93
71143	CONTRACTED LABOR-AIDES & ORDER	0.00			0.00	124,220.01
71177	PATIENT TRANSPORTATION	0.00			0.00	12,473.78
72.092	SALARIES - PHYSICAL THERAPIST	186,605.52			186,605.52	0.00
72.095	PHYSICAL THER - SUPPLIES	4,787.93			4,787.93	0.00
72092	SALARIES - PHYSICAL THERAPIST	0.00			0.00	142,771.90
72095	PHYSICAL THER - SUPPLIES	0.00			0.00	2,750.19
75.093	SALARIES-OCC THRPY	146,595.85			146,595.85	0.00
75093	SALARIES-OCC THRPY	0.00			0.00	133,333.60
76.131	PURCHASED SERVICES SPEECH	63,952.01			63,952.01	0.00
76131	PURCHASED SERVICES SPEECH	0.00			0.00	45,081.55
82.100	SALARIES-SUPER (MAINT)	41,316.96			41,316.96	0.00
82.101	PLANT OPER & MAINT	1,136.86			1,136.86	0.00
82.102	SALARIES-MAINT	22,909.05			22,909.05	0.00
82.122	FUEL - GAS	6,559.59			6,559.59	0.00
82.123	ELECTRICITY	39,632.64			39,632.64	0.00
82.125	WATER, SEWER, GARBAGE	60,126.20			60,126.20	0.00
82.126	HAZARDOUS WASTE	2,237.11			2,237.11	0.00
82.127	FUEL - OIL	19,933.76			19,933.76	0.00
82.131	SUPPLIES - MAINTENANCE	17,007.95			17,007.95	0.00
82.135	FURNITURE & APPLIANCE EXPENSE	18,276.47			18,276.47	0.00
82.144	Outdoor Services	433.92			433.92	0.00
82.145	BUILDING SERV.- REPAIRS & MAINT	8,264.13			8,264.13	0.00
82.146	EQUIP SVCS - REPAIRS & MAINT E	28,650.87			28,650.87	0.00
82.149	PURCH SVCS - CABLE TV	3,535.16			3,535.16	0.00
82.150	PLANT OPERATIONS MAINT-EQUIPMENT RENTAL	8,036.06			8,036.06	0.00
82100	SALARIES-SUPER (MAINT)	0.00			0.00	40,662.85
82102	SALARIES-MAINT	0.00			0.00	32,605.02
82122	FUEL - GAS	0.00			0.00	8,811.29
82123	ELECTRICITY	0.00			0.00	36,047.99
82125	WATER, SEWER, GARBAGE	0.00			0.00	65,397.37
82126	HAZARDOUS WASTE	0.00			0.00	2,384.40
82127	FUEL - OIL	0.00			0.00	34,046.51
82131	SUPPLIES - MAINTENANCE	0.00			0.00	12,755.01
82135	FURNITURE & APPLIANCE EXPENSE	0.00			0.00	8,548.93
82145	BUILDING SERV.- REPAIRS & MAINT	0.00			0.00	18,137.04
82146	EQUIP SVCS - REPAIRS & MAINT E	0.00			0.00	19,183.88
82149	PURCH SVCS - CABLE TV	0.00			0.00	5,411.04
82150	PLANT OPERATIONS MAINT-EQUIPMENT RENTAL	0.00			0.00	10,489.85
83.100	DIETARY SUPV. SALERIES	148,665.00			148,665.00	0.00
83.101	DIET SALARIES-SUPERVISOR	832.86			832.86	0.00
83.102	DIETARY SALARIES	203,578.05			203,578.05	0.00

Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
83.106	DIETICIAN	13,750.83			13,750.83	0.00
83.121	FOOD	140,227.44			140,227.44	0.00
83.131	DIETARY SUPPLIES	4,025.13			4,025.13	0.00
83.161	EQUIPMENT RENTAL	0.00		2,363.00	2,363.00	0.00
83100	DIETARY SUPV. SALERIES	0.00			0.00	158,345.00
83101	DIET SALARIES-SUPERVISOR	0.00			0.00	(870.71)
83102	DIETARY SALARIES	0.00			0.00	208,338.84
83106	DIETICIAN	0.00			0.00	15,564.00
83121	FOOD	0.00			0.00	147,115.22
83131	DIETARY SUPPLIES	0.00			0.00	7,083.61
84.102	LAUNDRY SALARY	3,585.14			3,585.14	0.00
84.140	LAUNDRY SERVICE CONTRACTED	63,400.00			63,400.00	0.00
84102	LAUNDRY SALARY	0.00			0.00	23,651.73
84140	LAUNDRY SERVICE CONTRACTED	0.00			0.00	67,139.40
85.102	HOUSEKEEPING SALARIES	92,443.53			92,443.53	0.00
85.131	HOUSEKEEPING SUPPLIES	538.58			538.58	0.00
85.175	AUTO MILEAGE	2,180.76			2,180.76	0.00
85102	HOUSEKEEPING SALARIES	0.00			0.00	69,801.40
85131	HOUSEKEEPING SUPPLIES	0.00			0.00	135.36
85175	AUTO MILEAGE	0.00			0.00	2,109.61
86.124	Medical Records	585.99			585.99	0.00
86.150	PURCHASED SERVICES - MEDICAL	38,340.38			38,340.38	0.00
86.151	PSYCHIATRY CONSULTANT	2,340.00			2,340.00	0.00
86.152	DENTIST	3,450.00			3,450.00	0.00
86.180	MTG - STAFF	197.89			197.89	0.00
86.501	SALARIES SOCIAL SERVICE	23,524.49			23,524.49	0.00
86.521	PURCHASED SERVICES	2,762.79			2,762.79	0.00
86124	Medical Records	0.00			0.00	832.72
86150	PURCHASED SERVICES - MEDICAL	0.00			0.00	34,951.87
86151	PSYCHIATRY CONSULTANT	0.00			0.00	2,160.00
86152	DENTIST	0.00			0.00	300.00
86180	MTG - STAFF	0.00			0.00	207.41
86501	SALARIES SOCIAL SERVICE	0.00			0.00	26,194.24
86521	PURCHASED SERVICES	0.00			0.00	1,587.83
87.102	SALARIES REC	40,410.77			40,410.77	0.00
87.131	SUPPLIES ACTIVITIES	1,872.71			1,872.71	0.00
87102	SALARIES REC	0.00			0.00	40,597.01
87131	SUPPLIES ACTIVITIES	0.00			0.00	1,434.15
88.100	SALARIES - ADMINISTRATOR	192,321.43			192,321.43	0.00
88.101	SALARIES - ASSISTANT ADMINISTRATOR	48,710.54			48,710.54	0.00
88.104	SALARIES - BUSINESS OFFICE	115,520.98			115,520.98	0.00
88.111	Owner / Vice President	152,575.00			152,575.00	0.00
88.131	OFFICE SUPPLIES	5,700.19			5,700.19	0.00
88.154	PURCHASED SERVICES	23,181.64			23,181.64	0.00
88.176	MEALS/ENTERTAIN	100.00			100.00	0.00
88.178	TRAVEL & ENTERTAINMENT	10,573.95			10,573.95	0.00
88.179	SEMINAR EXPENSE	1,250.00			1,250.00	0.00
88.182	PAYROLL SERVICE FEES	10,569.08			10,569.08	0.00
88.185	PROFESSIONAL FEES - LEGAL	22,124.00			22,124.00	0.00
88.186	PROFESSIONAL FEES - ACCOUNTING	32,514.16			32,514.16	0.00
88.313	POSTAGE	1,012.20			1,012.20	0.00
88.590	PAYROLL TAX-FICA	178,455.84			178,455.84	0.00
88.591	PAYROLL TAX-FUI	3,596.79			3,596.79	0.00
88.592	PAYROLL TAX-SUI	26,519.88			26,519.88	0.00
88.593	BUSINESS INS	84,460.04			84,460.04	0.00
88.594	GRP INSURANCE	103,089.19			103,089.19	0.00
88100	SALARIES - ADMINISTRATOR	0.00			0.00	186,571.43
88101	SALARIES - ASSISTANT ADMINISTRATOR	0.00			0.00	27,719.91
88104	SALARIES - BUSINESS OFFICE	0.00			0.00	132,393.60
88111	Owner / Vice President	0.00			0.00	145,828.57
88131	OFFICE SUPPLIES	0.00			0.00	8,065.68
88154	PURCHASED SERVICES	0.00			0.00	22,276.50
88175	TRAVEL & ENTERTAINMENT	0.00			0.00	15,192.71
88177	SEMINAR EXPENSE	0.00			0.00	990.00
88182	PAYROLL SERVICE FEES	0.00			0.00	9,043.36
88185	PROFESSIONAL FEES - LEGAL	0.00			0.00	13,165.31



Account	Description	ADJ	JE Ref #	RJE	FINAL	1st PP-FINAL
		9/30/2016			9/30/2016	9/30/2015
88186	PROFESSIONAL FEES - ACCOUNTING	0.00			0.00	32,938.09
88198	PENSION CONTRIBUTION	0.00			0.00	10,000.00
88313	POSTAGE	0.00			0.00	1,149.31
88590	PAYROLL TAX-FICA	0.00			0.00	176,552.58
88591	PAYROLL TAX-FUI	0.00			0.00	12,046.60
88592	PAYROLL TAX-SUI	0.00			0.00	29,329.39
88593	BUSINESS INS	0.00			0.00	80,531.82
88594	GRP INSURANCE	0.00			0.00	83,093.16
89.115	ADVERTISING	17,114.07			17,114.07	0.00
89.120	DONATIONS	3,395.00			3,395.00	0.00
89.125	DUES & SUBSCRIPTIONS	14,847.06			14,847.06	0.00
89.129	LICENSES	1,817.40			1,817.40	0.00
89.141	ADMIN & GENERAL - MISC	(7,394.68)			(7,394.68)	0.00
89.163	BUSINESS TAXES - B & O TAX	356,688.00			356,688.00	0.00
89.164	PROVISION STATE TAX	940.02			940.02	0.00
89.165	FINES AND PENALTIES	220.00			220.00	0.00
89.171	TELEPHONE	10,600.61		(2,363.00)	8,237.61	0.00
89.172	CELLPHONE	110.33			110.33	0.00
89.173	Internet	1,303.10			1,303.10	0.00
89.183	PUBLIC RELATIONS	961.38			961.38	0.00
89115	ADVERTISING	0.00			0.00	16,604.71
89120	DONATIONS	0.00			0.00	3,175.00
89125	DUES & SUBSCRIPTIONS	0.00		(1,333.00)	(1,333.00)	13,405.51
89128	DUES & SUBSCRIPTIONS	0.00		1,333.00	1,333.00	1,293.00
89129	LICENSES	0.00			0.00	275.00
89141	ADMIN & GENERAL - MISC	0.00			0.00	(1,856.71)
89163	BUSINESS TAXES - B & O TAX	0.00			0.00	359,505.00
89171	TELEPHONE	0.00			0.00	14,842.73
89173	Internet	0.00			0.00	842.57
89183	PUBLIC RELATIONS	0.00			0.00	4,011.23
92.232	REAL PROPERTY TAXES	49,854.93			49,854.93	0.00
92.233	PERSONAL PROPERTY TAXES	2,457.08			2,457.08	0.00
92.242	INSURANCE - LIABILITY	13,260.00			13,260.00	0.00
92.243	INSURANCE - PROPERTY & AUTO	16,626.50		(4,323.00)	12,303.50	0.00
92232	REAL PROPERTY TAXES	0.00			0.00	47,983.52
92233	PERSONAL PROPERTY TAXES	0.00			0.00	4,896.11
92242	INSURANCE - LIABILITY	0.00			0.00	13,000.00
92243	INSURANCE - PROPERTY & AUTO	0.00			0.00	2,783.51
93.050	DEPREC EXPENSE-LAND IMPROVEMENTS	2,324.22			2,324.22	0.00
93.110	DEPREC EXPENSE-BUILD IMP	35,720.91			35,720.91	0.00
93.253	DEPREC EXP-OFFICE EQ	27,390.40			27,390.40	0.00
93.501	AMORT EXPENSE-ORGANI	1,181.80			1,181.80	0.00
93050	DEPREC EXPENSE-LAND IMPROVEMENTS	0.00			0.00	3,006.43
93110	DEPREC EXPENSE-BUILD IMP	0.00			0.00	47,871.14
93253	DEPREC EXP-OFFICE EQ	0.00			0.00	29,213.00
93501	AMORT EXPENSE-ORGANI	0.00			0.00	1,181.80
94.210	INTEREST ON STATE TAX	67.66			67.66	0.00
94.211	INTEREST EXPENSE-BUI	25,114.57			25,114.57	0.00
94.231	INTEREST LOC	3,943.30			3,943.30	0.00
94211	INTEREST EXPENSE-BUI	0.00			0.00	24,717.05
94231	INTEREST LOC	0.00			0.00	4,407.83
Marcum 101	Automobile Insurance	0.00		4,323.00	4,323.00	6,428.00
<b>Total</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	
<b>Net (Income) Loss</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2016 Cost Report**  
 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ 9/30/2016	JE Ref #	RJE	FINAL 9/30/2016
<b>Group : [10-A] Salaries and Wages</b>					
<b>Subgroup : [2] Administrators</b>					
88.100	SALARIES - ADMINISTRATOR	192,321.43		0.00	192,321.43
<b>Subtotal [2] Administrators</b>		<u>192,321.43</u>		<u>0.00</u>	<u>192,321.43</u>
<b>Subgroup : [3] Assistant Administrator</b>					
88.101	SALARIES - ASSISTANT ADMINISTRATOR	48,710.54		0.00	48,710.54
<b>Subtotal [3] Assistant Administrator</b>		<u>48,710.54</u>		<u>0.00</u>	<u>48,710.54</u>
<b>Subgroup : [4] Other Administrative Salaries</b>					
88.104	SALARIES - BUSINESS OFFICE	115,520.98		0.00	115,520.98
88.111	Owner / Vice President	152,575.00		0.00	152,575.00
<b>Subtotal [4] Other Administrative Salaries</b>		<u>268,095.98</u>		<u>0.00</u>	<u>268,095.98</u>
<b>Subgroup : [5B] Food Service Supervisor</b>					
83.100	DIETARY SUPV. SALERIES	148,665.00		0.00	148,665.00
83.101	DIET SALARIES-SUPERVISOR	832.86		0.00	832.86
<b>Subtotal [5B] Food Service Supervisor</b>		<u>149,497.86</u>		<u>0.00</u>	<u>149,497.86</u>
<b>Subgroup : [5C] Dietary Workers</b>					
83.102	DIETARY SALARIES	203,578.05		0.00	203,578.05
<b>Subtotal [5C] Dietary Workers</b>		<u>203,578.05</u>		<u>0.00</u>	<u>203,578.05</u>
<b>Subgroup : [6B] Other Housekeeping Workers</b>					
85.102	HOUSEKEEPING SALARIES	92,443.53		0.00	92,443.53
<b>Subtotal [6B] Other Housekeeping Workers</b>		<u>92,443.53</u>		<u>0.00</u>	<u>92,443.53</u>
<b>Subgroup : [7A] Engineer or Chief of Maintenance</b>					
82.100	SALARIES-SUPER (MAINT)	41,316.96		0.00	41,316.96
<b>Subtotal [7A] Engineer or Chief of Maintenance</b>		<u>41,316.96</u>		<u>0.00</u>	<u>41,316.96</u>
<b>Subgroup : [7B] Other Maintenance Workers</b>					
82.102	SALARIES-MAINT	22,909.05		0.00	22,909.05
<b>Subtotal [7B] Other Maintenance Workers</b>		<u>22,909.05</u>		<u>0.00</u>	<u>22,909.05</u>
<b>Subgroup : [8B] Other Laundry Workers</b>					
84.102	LAUNDRY SALARY	3,585.14		0.00	3,585.14
<b>Subtotal [8B] Other Laundry Workers</b>		<u>3,585.14</u>		<u>0.00</u>	<u>3,585.14</u>
<b>Subgroup : [12A] Director of Nurses/Assistant Director</b>					
71.100	SALARIES - DNS	93,199.14		0.00	93,199.14
<b>Subtotal [12A] Director of Nurses/Assistant Director</b>		<u>93,199.14</u>		<u>0.00</u>	<u>93,199.14</u>
<b>Subgroup : [12B1] RNs - Direct Care</b>					
71.103	SALARIES - R.N.S.	298,649.76		0.00	298,649.76
<b>Subtotal [12B1] RNs - Direct Care</b>		<u>298,649.76</u>		<u>0.00</u>	<u>298,649.76</u>
<b>Subgroup : [12B2] RNs - Administrative</b>					
71.115	SALARIES - NURS ADM	175,037.67		0.00	175,037.67
<b>Subtotal [12B2] RNs - Administrative</b>		<u>175,037.67</u>		<u>0.00</u>	<u>175,037.67</u>
<b>Subgroup : [12C1] LPNs - Direct Care</b>					
71.105	SALARIES - L.P.N.S OR L.V.N.S	301,162.09		0.00	301,162.09
<b>Subtotal [12C1] LPNs - Direct Care</b>		<u>301,162.09</u>		<u>0.00</u>	<u>301,162.09</u>
<b>Subgroup : [12D] Aides and Attendants</b>					
71.111	SALARIES - AIDES & ORDERLIES	565,080.74		0.00	565,080.74
<b>Subtotal [12D] Aides and Attendants</b>		<u>565,080.74</u>		<u>0.00</u>	<u>565,080.74</u>
<b>Subgroup : [12H] Recreation Workers</b>					
87.102	SALARIES REC	40,410.77		0.00	40,410.77
<b>Subtotal [12H] Recreation Workers</b>		<u>40,410.77</u>		<u>0.00</u>	<u>40,410.77</u>
<b>Subgroup : [12M] Social Workers/Case Management</b>					
86.501	SALARIES SOCIAL SERVICE	23,524.49		0.00	23,524.49
<b>Subtotal [12M] Social Workers/Case Management</b>		<u>23,524.49</u>		<u>0.00</u>	<u>23,524.49</u>
<b>Total [10-A] Salaries and Wages</b>		<u>2,519,523.20</u>		<u>0.00</u>	<u>2,519,523.20</u>
<b>Group : [13-B] Professional Fees</b>					
<b>Subgroup : [1] Dietitian</b>					
83.106	DIETICIAN	13,750.83		0.00	13,750.83
<b>Subtotal [1] Dietitian</b>		<u>13,750.83</u>		<u>0.00</u>	<u>13,750.83</u>

Client: **Cobalt Lodge**  
 Engagement: **Medicaid - Cobalt Lodge 2016 Cost Report**  
 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
<b>Subgroup : [2] Dentist</b>					
86.152	DENTIST	3,450.00		0.00	3,450.00
<b>Subtotal [2] Dentist</b>		<u>3,450.00</u>		<u>0.00</u>	<u>3,450.00</u>
<b>Subgroup : [3] Pharmacist</b>					
86.521	PURCHASED SERVICES	2,762.79		0.00	2,762.79
<b>Subtotal [3] Pharmacist</b>		<u>2,762.79</u>		<u>0.00</u>	<u>2,762.79</u>
<b>Subgroup : [5A] PT - Resident Care</b>					
72.092	SALARIES - PHYSICAL THERAPIST	186,605.52		0.00	186,605.52
<b>Subtotal [5A] PT - Resident Care</b>		<u>186,605.52</u>		<u>0.00</u>	<u>186,605.52</u>
<b>Subgroup : [8A] Medical Director</b>					
86.150	PURCHASED SERVICES - MEDICAL	38,340.38		0.00	38,340.38
<b>Subtotal [8A] Medical Director</b>		<u>38,340.38</u>		<u>0.00</u>	<u>38,340.38</u>
<b>Subgroup : [9A] ST - Resident Care</b>					
76.131	PURCHASED SERVICES SPEECH	63,952.01		0.00	63,952.01
<b>Subtotal [9A] ST - Resident Care</b>		<u>63,952.01</u>		<u>0.00</u>	<u>63,952.01</u>
<b>Subgroup : [10A] OT - Resident Care</b>					
75.093	SALARIES-OCC THRPY	146,595.85		0.00	146,595.85
<b>Subtotal [10A] OT - Resident Care</b>		<u>146,595.85</u>		<u>0.00</u>	<u>146,595.85</u>
<b>Subgroup : [11A1] RN's - Direct Care</b>					
71.141	CONTRACTED LABOR-R.N.S.	68,416.20		0.00	68,416.20
<b>Subtotal [11A1] RN's - Direct Care</b>		<u>68,416.20</u>		<u>0.00</u>	<u>68,416.20</u>
<b>Subgroup : [11B1] LPN's - Direct Care</b>					
71.142	CONTRACTED LABOR-L.P.N.S.	32,294.37		0.00	32,294.37
<b>Subtotal [11B1] LPN's - Direct Care</b>		<u>32,294.37</u>		<u>0.00</u>	<u>32,294.37</u>
<b>Subgroup : [11C] Aides</b>					
71.143	CONTRACTED LABOR-AIDES & ORDER	128,465.89		0.00	128,465.89
<b>Subtotal [11C] Aides</b>		<u>128,465.89</u>		<u>0.00</u>	<u>128,465.89</u>
<b>Subgroup : [12] Other</b>					
86.124	Medical Records	585.99		0.00	585.99
86.151	PSYCHIATRY CONSULTANT	2,340.00		0.00	2,340.00
<b>Subtotal [12] Other</b>		<u>2,925.99</u>		<u>0.00</u>	<u>2,925.99</u>
<b>Total [13-B] Professional Fees</b>		<u>687,559.83</u>		<u>0.00</u>	<u>687,559.83</u>
<b>Group : [15] Expenditures Other than Salaries</b>					
<b>Subgroup : [1A1] Workmen's Compensation</b>					
88.593	BUSINESS INS	84,460.04		0.00	84,460.04
<b>Subtotal [1A1] Workmen's Compensation</b>		<u>84,460.04</u>		<u>0.00</u>	<u>84,460.04</u>
<b>Subgroup : [1A3] Unemployment Insurance</b>					
88.591	PAYROLL TAX-FUI	3,596.79		0.00	3,596.79
88.592	PAYROLL TAX-SUI	26,519.88		0.00	26,519.88
<b>Subtotal [1A3] Unemployment Insurance</b>		<u>30,116.67</u>		<u>0.00</u>	<u>30,116.67</u>
<b>Subgroup : [1A4] Social Security (FICA)</b>					
88.590	PAYROLL TAX-FICA	178,455.84		0.00	178,455.84
<b>Subtotal [1A4] Social Security (FICA)</b>		<u>178,455.84</u>		<u>0.00</u>	<u>178,455.84</u>
<b>Subgroup : [1A5] Health Insurance</b>					
88.594	GRP INSURANCE	103,089.19		0.00	103,089.19
<b>Subtotal [1A5] Health Insurance</b>		<u>103,089.19</u>		<u>0.00</u>	<u>103,089.19</u>
<b>Subgroup : [1D] Accounting and Auditing</b>					
88.186	PROFESSIONAL FEES - ACCOUNTING	32,514.16		0.00	32,514.16
<b>Subtotal [1D] Accounting and Auditing</b>		<u>32,514.16</u>		<u>0.00</u>	<u>32,514.16</u>
<b>Subgroup : [1E] Legal</b>					
88.185	PROFESSIONAL FEES - LEGAL	22,124.00		0.00	22,124.00
<b>Subtotal [1E] Legal</b>		<u>22,124.00</u>		<u>0.00</u>	<u>22,124.00</u>
<b>Subgroup : [1G] Office Supplies</b>					
88.131	OFFICE SUPPLIES	5,700.19		0.00	5,700.19
<b>Subtotal [1G] Office Supplies</b>		<u>5,700.19</u>		<u>0.00</u>	<u>5,700.19</u>
<b>Subgroup : [1H1] Telephone and Telegraph</b>					
89.171	TELEPHONE	10,600.61		(2,363.00)	8,237.61

Client: **Cobalt Lodge**  
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 Period Ending: **9/30/2016**  
 Trial Balance: **A.01 - TB-CCNH**  
 Workpaper: **A.03 - TB-CCNH Combined Detail LS - 2**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
<b>Subtotal [1H1] Telephone and Telegraph</b>		<u>10,600.61</u>	RJE - 5	<u>(2,363.00)</u>	<u>8,237.61</u>
				<u>(2,363.00)</u>	
<b>Subgroup : [1H2] Cellular Phones and Beepers</b>					
89.172	CELLPHONE	110.33		0.00	110.33
<b>Subtotal [1H2] Cellular Phones and Beepers</b>		<u>110.33</u>		<u>0.00</u>	<u>110.33</u>
<b>Subgroup : [1K2] Other</b>					
89.164	PROVISION STATE TAX	940.02		0.00	940.02
<b>Subtotal [1K2] Other</b>		<u>940.02</u>		<u>0.00</u>	<u>940.02</u>
<b>Subgroup : [1K3] Resident Day User Fee</b>					
89.163	BUSINESS TAXES - B & O TAX	356,688.00		0.00	356,688.00
<b>Subtotal [1K3] Resident Day User Fee</b>		<u>356,688.00</u>		<u>0.00</u>	<u>356,688.00</u>
<b>Total [15] Expenditures Other than Salaries</b>		<u>824,799.05</u>		<u>(2,363.00)</u>	<u>822,436.05</u>
<b>Group : [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>					
<b>Subgroup : [4] Employee Travel</b>					
85.175	AUTO MILEAGE	2,180.76		0.00	2,180.76
<b>Subtotal [4] Employee Travel</b>		<u>2,180.76</u>		<u>0.00</u>	<u>2,180.76</u>
<b>Subgroup : [5] Education Expense</b>					
88.179	SEMINAR EXPENSE	1,250.00		0.00	1,250.00
<b>Subtotal [5] Education Expense</b>		<u>1,250.00</u>		<u>0.00</u>	<u>1,250.00</u>
<b>Subgroup : [7] Other</b>					
88.176	MEALS/ENTERTAIN	100.00		0.00	100.00
88.178	TRAVEL & ENTERTAINMENT	10,573.95		0.00	10,573.95
<b>Subtotal [7] Other</b>		<u>10,673.95</u>		<u>0.00</u>	<u>10,673.95</u>
<b>Subgroup : [M3] Advertising Other</b>					
89.115	ADVERTISING	17,114.07		0.00	17,114.07
89.183	PUBLIC RELATIONS	961.38		0.00	961.38
<b>Subtotal [M3] Advertising Other</b>		<u>18,075.45</u>		<u>0.00</u>	<u>18,075.45</u>
<b>Subgroup : [M6] Barber and Beauty Supplies</b>					
71.050	Salaries - Beauty & Hairdresser	500.00		0.00	500.00
<b>Subtotal [M6] Barber and Beauty Supplies</b>		<u>500.00</u>		<u>0.00</u>	<u>500.00</u>
<b>Subgroup : [M7] Postage</b>					
88.313	POSTAGE	1,012.20		0.00	1,012.20
<b>Subtotal [M7] Postage</b>		<u>1,012.20</u>		<u>0.00</u>	<u>1,012.20</u>
<b>Subgroup : [M8] Dues and Membership Fees to Professional Associations</b>					
89128	DUES & SUBSCRIPTIONS	0.00		1,333.00	1,333.00
<b>Subtotal [M8] Dues and Membership Fees to Professional Associations</b>		<u>0.00</u>	RJE - 1	<u>1,333.00</u>	<u>1,333.00</u>
				<u>1,333.00</u>	
<b>Subgroup : [M9] Subscriptions</b>					
89.125	DUES & SUBSCRIPTIONS	14,847.06		0.00	14,847.06
89125	DUES & SUBSCRIPTIONS	0.00		(1,333.00)	(1,333.00)
<b>Subtotal [M9] Subscriptions</b>		<u>14,847.06</u>	RJE - 1	<u>(1,333.00)</u>	<u>13,514.06</u>
				<u>(1,333.00)</u>	
<b>Subgroup : [M10] Contributions</b>					
89.120	DONATIONS	3,395.00		0.00	3,395.00
<b>Subtotal [M10] Contributions</b>		<u>3,395.00</u>		<u>0.00</u>	<u>3,395.00</u>
<b>Subgroup : [M11] Services Provided by Contract</b>					
88.154	PURCHASED SERVICES	23,181.64		0.00	23,181.64
88.182	PAYROLL SERVICE FEES	10,569.08		0.00	10,569.08
<b>Subtotal [M11] Services Provided by Contract</b>		<u>33,750.72</u>		<u>0.00</u>	<u>33,750.72</u>
<b>Subgroup : [M13] Other</b>					
89.129	LICENSES	1,817.40		0.00	1,817.40
89.141	ADMIN & GENERAL - MISC	(7,394.68)		0.00	(7,394.68)
89.165	FINES AND PENALTIES	220.00		0.00	220.00
89.173	Internet	1,303.10		0.00	1,303.10
<b>Subtotal [M13] Other</b>		<u>(4,054.18)</u>		<u>0.00</u>	<u>(4,054.18)</u>
<b>Total [16] Expenditures Other than Salaries (cont'd) - Admin. and General</b>		<u>81,630.96</u>		<u>0.00</u>	<u>81,630.96</u>
<b>Group : [18] Dietary Basis for Allocation of Costs</b>					
<b>Subgroup : [2A1] Raw Food</b>					

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		9/30/2016			9/30/2016
83.121	FOOD	140,227.44		0.00	140,227.44
<b>Subtotal [2A1] Raw Food</b>		<b>140,227.44</b>		<b>0.00</b>	<b>140,227.44</b>
<b>Subgroup : [2A2] Non-Food Supplies</b>					
82.135	FURNITURE & APPLIANCE EXPENSE	18,276.47		0.00	18,276.47
83.131	DIETARY SUPPLIES	4,025.13		0.00	4,025.13
<b>Subtotal [2A2] Non-Food Supplies</b>		<b>22,301.60</b>		<b>0.00</b>	<b>22,301.60</b>
<b>Total [18] Dietary Basis for Allocation of Costs</b>		<b>162,529.04</b>		<b>0.00</b>	<b>162,529.04</b>
<b>Group : [19] Laundry-Basis for Allocation of Costs</b>					
<b>Subgroup : [3B] Purchased Services</b>					
84.140	LAUNDRY SERVICE CONTRACTED	63,400.00		0.00	63,400.00
<b>Subtotal [3B] Purchased Services</b>		<b>63,400.00</b>		<b>0.00</b>	<b>63,400.00</b>
<b>Total [19] Laundry-Basis for Allocation of Costs</b>		<b>63,400.00</b>		<b>0.00</b>	<b>63,400.00</b>
<b>Group : [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>					
<b>Subgroup : [4D] Other</b>					
85.131	HOUSEKEEPING SUPPLIES	538.58		0.00	538.58
<b>Subtotal [4D] Other</b>		<b>538.58</b>		<b>0.00</b>	<b>538.58</b>
<b>Subgroup : [5A2] Purchased from</b>					
61.010	DRUGS	78,579.48		0.00	78,579.48
<b>Subtotal [5A2] Purchased from</b>		<b>78,579.48</b>		<b>0.00</b>	<b>78,579.48</b>
<b>Subgroup : [5B] Medicine Cabinet Drugs</b>					
71.135	SUPPLIES - NURSING	128,512.50		0.00	128,512.50
<b>Subtotal [5B] Medicine Cabinet Drugs</b>		<b>128,512.50</b>		<b>0.00</b>	<b>128,512.50</b>
<b>Subgroup : [5D] Ambulance/Limousine</b>					
71.177	PATIENT TRANSPORTATION	1,470.26		0.00	1,470.26
<b>Subtotal [5D] Ambulance/Limousine</b>		<b>1,470.26</b>		<b>0.00</b>	<b>1,470.26</b>
<b>Subgroup : [5E2] Oxygen - Other</b>					
62.020	OXYGEN SUPPLIES	14,769.98		0.00	14,769.98
62.040	OXYGEN PURCHASED SERVICES	1,253.49		0.00	1,253.49
<b>Subtotal [5E2] Oxygen - Other</b>		<b>16,023.47</b>		<b>0.00</b>	<b>16,023.47</b>
<b>Subgroup : [5F] X-Rays and related radiological</b>					
60.040	XRAY - PURCH SERV	4,557.97		0.00	4,557.97
<b>Subtotal [5F] X-Rays and related radiological</b>		<b>4,557.97</b>		<b>0.00</b>	<b>4,557.97</b>
<b>Subgroup : [5H] Laboratory</b>					
60.030	LAB - PURCH SERV	8,475.78		0.00	8,475.78
<b>Subtotal [5H] Laboratory</b>		<b>8,475.78</b>		<b>0.00</b>	<b>8,475.78</b>
<b>Subgroup : [5I] Recreation</b>					
82.149	PURCH SVCS - CABLE TV	3,535.16		0.00	3,535.16
87.131	SUPPLIES ACTIVITIES	1,872.71		0.00	1,872.71
<b>Subtotal [5I] Recreation</b>		<b>5,407.87</b>		<b>0.00</b>	<b>5,407.87</b>
<b>Subgroup : [5J] Other</b>					
72.095	PHYSICAL THER - SUPPLIES	4,787.93		0.00	4,787.93
86.180	MTG - STAFF	197.89		0.00	197.89
<b>Subtotal [5J] Other</b>		<b>4,985.82</b>		<b>0.00</b>	<b>4,985.82</b>
<b>Total [20] Housekeeping and Resident Care Basis for Allocation of Costs</b>		<b>248,551.73</b>		<b>0.00</b>	<b>248,551.73</b>
<b>Group : [22] Maintenance and Property</b>					
<b>Subgroup : [6A] Repairs and Maintenance</b>					
82.101	PLANT OPER & MAINT	1,136.86		0.00	1,136.86
82.131	SUPPLIES - MAINTENANCE	17,007.95		0.00	17,007.95
82.145	BUILDING SERV.- REPAIRS & MAINT	8,264.13		0.00	8,264.13
82.146	EQUIP SVCS - REPAIRS & MAINT E	28,650.87		0.00	28,650.87
<b>Subtotal [6A] Repairs and Maintenance</b>		<b>55,059.81</b>		<b>0.00</b>	<b>55,059.81</b>
<b>Subgroup : [6B] Heat</b>					
82.122	FUEL - GAS	6,559.59		0.00	6,559.59
82.127	FUEL - OIL	19,933.76		0.00	19,933.76
<b>Subtotal [6B] Heat</b>		<b>26,493.35</b>		<b>0.00</b>	<b>26,493.35</b>
<b>Subgroup : [6C] Light &amp; Power</b>					
82.123	ELECTRICITY	39,632.64		0.00	39,632.64
<b>Subtotal [6C] Light &amp; Power</b>		<b>39,632.64</b>		<b>0.00</b>	<b>39,632.64</b>

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		9/30/2016			9/30/2016
<b>Subgroup : [6D] Water</b>					
82.125	WATER, SEWER, GARBAGE	60,126.20		0.00	60,126.20
<b>Subtotal [6D] Water</b>		<u>60,126.20</u>		<u>0.00</u>	<u>60,126.20</u>
<b>Subgroup : [6E] Equipment Lease</b>					
83.161	EQUIPMENT RENTAL	0.00	RJE - 5	2,363.00	2,363.00
<b>Subtotal [6E] Equipment Lease</b>		<u>0.00</u>		<u>2,363.00</u>	<u>2,363.00</u>
<b>Subgroup : [6F] Other</b>					
82.126	HAZARDOUS WASTE	2,237.11		0.00	2,237.11
82.144	Outdoor Services	433.92		0.00	433.92
82.150	PLANT OPERATIONS MAINT-EQUIPMENT RENTAL	8,036.06		0.00	8,036.06
<b>Subtotal [6F] Other</b>		<u>10,707.09</u>		<u>0.00</u>	<u>10,707.09</u>
<b>Subgroup : [7A] Land Improvements</b>					
93.050	DEPREC EXPENSE-LAND IMPROVEMENTS	2,324.22		0.00	2,324.22
<b>Subtotal [7A] Land Improvements</b>		<u>2,324.22</u>		<u>0.00</u>	<u>2,324.22</u>
<b>Subgroup : [7B] Building &amp; Building Improvements</b>					
93.110	DEPREC EXPENSE-BUILD IMP	35,720.91		0.00	35,720.91
<b>Subtotal [7B] Building &amp; Building Improvements</b>		<u>35,720.91</u>		<u>0.00</u>	<u>35,720.91</u>
<b>Subgroup : [7C] Non-movable Equipment</b>					
93.253	DEPREC EXP-OFFICE EQ	27,390.40		0.00	27,390.40
<b>Subtotal [7C] Non-movable Equipment</b>		<u>27,390.40</u>		<u>0.00</u>	<u>27,390.40</u>
<b>Subgroup : [8B] Mortgage Expense</b>					
93.501	AMORT EXPENSE-ORGANI	1,181.80		0.00	1,181.80
<b>Subtotal [8B] Mortgage Expense</b>		<u>1,181.80</u>		<u>0.00</u>	<u>1,181.80</u>
<b>Subgroup : [10A] Real estate taxes paid by owner</b>					
92.232	REAL PROPERTY TAXES	49,854.93		0.00	49,854.93
<b>Subtotal [10A] Real estate taxes paid by owner</b>		<u>49,854.93</u>		<u>0.00</u>	<u>49,854.93</u>
<b>Subgroup : [10C] Personal property taxes</b>					
92.233	PERSONAL PROPERTY TAXES	2,457.08		0.00	2,457.08
<b>Subtotal [10C] Personal property taxes</b>		<u>2,457.08</u>		<u>0.00</u>	<u>2,457.08</u>
<b>Total [22] Maintenance and Property</b>		<u>310,948.43</u>		<u>2,363.00</u>	<u>313,311.43</u>
<b>Group : [26] Interest</b>					
<b>Subgroup : [12A1] First Mortgage</b>					
94.211	INTEREST EXPENSE-BUI	25,114.57		0.00	25,114.57
<b>Subtotal [12A1] First Mortgage</b>		<u>25,114.57</u>		<u>0.00</u>	<u>25,114.57</u>
<b>Total [26] Interest</b>		<u>25,114.57</u>		<u>0.00</u>	<u>25,114.57</u>
<b>Group : [27] Interest and Insurance</b>					
<b>Subgroup : [12D] Other Interest Expense</b>					
94.210	INTEREST ON STATE TAX	67.66		0.00	67.66
94.231	INTEREST LOC	3,943.30		0.00	3,943.30
<b>Subtotal [12D] Other Interest Expense</b>		<u>4,010.96</u>		<u>0.00</u>	<u>4,010.96</u>
<b>Subgroup : [14A] Insurance on Property</b>					
92.242	INSURANCE - LIABILITY	13,260.00		0.00	13,260.00
92.243	INSURANCE - PROPERTY & AUTO	16,626.50	RJE - 4	(4,323.00)	12,303.50
<b>Subtotal [14A] Insurance on Property</b>		<u>29,886.50</u>		<u>(4,323.00)</u>	<u>25,563.50</u>
<b>Subgroup : [14B] Insurance of Automobiles</b>					
Marcum 101	Automobile Insurance	0.00	RJE - 4	4,323.00	4,323.00
<b>Subtotal [14B] Insurance of Automobiles</b>		<u>0.00</u>		<u>4,323.00</u>	<u>4,323.00</u>
<b>Total [27] Interest and Insurance</b>		<u>33,897.46</u>		<u>0.00</u>	<u>33,897.46</u>
<b>Group : [30] Statement of Revenue</b>					
<b>Subgroup : [1A] Medicaid Residents (CT only)</b>					
41.301	Medicaid	(2,597,502.46)		0.00	(2,597,502.46)
41.392	ADJ REV-OTHER	(187,648.85)		0.00	(187,648.85)
<b>Subtotal [1A] Medicaid Residents (CT only)</b>		<u>(2,785,151.31)</u>		<u>0.00</u>	<u>(2,785,151.31)</u>
<b>Subgroup : [3A] Medicare Residents (All inclusive)</b>					
41.208	Medicare	(1,219,119.11)		0.00	(1,219,119.11)
<b>Subtotal [3A] Medicare Residents (All inclusive)</b>		<u>(1,219,119.11)</u>		<u>0.00</u>	<u>(1,219,119.11)</u>

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<b>Subgroup : [4A] Private-pay residents and other</b>					
41.101	Private	(1,364,459.00)		0.00	(1,364,459.00)
41.401	Commercial	(70,075.93)		0.00	(70,075.93)
<b>Subtotal [4A] Private-pay residents and other</b>		<b>(1,434,534.93)</b>		<b>0.00</b>	<b>(1,434,534.93)</b>
<b>Subgroup : [5B] Prescription Drugs - Medicare Contractual Allowance</b>					
51.038	Pharmacy Contra Medicaid	73,380.63		73,381.00	146,761.63
			RJE - 3	73,381.00	
<b>Subtotal [5B] Prescription Drugs - Medicare Contractual Allowance</b>		<b>73,380.63</b>		<b>73,381.00</b>	<b>146,761.63</b>
<b>Subgroup : [5C] Prescription Drugs - Non-medicare</b>					
51.032	PHARMACY - Medicaid	(73,380.63)		(73,381.00)	(146,761.63)
			RJE - 3	(73,381.00)	
<b>Subtotal [5C] Prescription Drugs - Non-medicare</b>		<b>(73,380.63)</b>		<b>(73,381.00)</b>	<b>(146,761.63)</b>
<b>Subgroup : [7C] Physical Therapy - Non-medicare</b>					
52.022	PHYS THERAPY REV-Med A	(342,236.05)		(342,236.00)	(684,472.05)
			RJE - 3	(342,236.00)	
<b>Subtotal [7C] Physical Therapy - Non-medicare</b>		<b>(342,236.05)</b>		<b>(342,236.00)</b>	<b>(684,472.05)</b>
<b>Subgroup : [7D] Physical Therapy - Non-medicare Contractual Allowance</b>					
52.028	ADJ TO REV-PHY THER	342,236.05		342,236.00	684,472.05
			RJE - 3	342,236.00	
<b>Subtotal [7D] Physical Therapy - Non-medicare Contractual Allowance</b>		<b>342,236.05</b>		<b>342,236.00</b>	<b>684,472.05</b>
<b>Subgroup : [8C] Speech Therapy - Non-medicare</b>					
55.522	SPEECH THER REVENUE	(121,945.90)		(121,946.00)	(243,891.90)
			RJE - 3	(121,946.00)	
<b>Subtotal [8C] Speech Therapy - Non-medicare</b>		<b>(121,945.90)</b>		<b>(121,946.00)</b>	<b>(243,891.90)</b>
<b>Subgroup : [8D] Speech Therapy - Non-medicare Contractual Allowance</b>					
55.528	ADJ TO REV-SPEECH THERAPY	121,945.90		121,946.00	243,891.90
			RJE - 3	121,946.00	
<b>Subtotal [8D] Speech Therapy - Non-medicare Contractual Allowance</b>		<b>121,945.90</b>		<b>121,946.00</b>	<b>243,891.90</b>
<b>Subgroup : [9C] Occupational Therapy - Non-medicare</b>					
55.093	OT SALARIES THERAPIES	(320,893.29)		(320,893.00)	(641,786.29)
			RJE - 3	(320,893.00)	
<b>Subtotal [9C] Occupational Therapy - Non-medicare</b>		<b>(320,893.29)</b>		<b>(320,893.00)</b>	<b>(641,786.29)</b>
<b>Subgroup : [9D] Occupational Therapy - Non-medicare Contractual Allowance</b>					
55.068	ADJ TO REV-OCCUP THERAPY Med B	320,893.29		320,893.00	641,786.29
			RJE - 3	320,893.00	
<b>Subtotal [9D] Occupational Therapy - Non-medicare Contractual Allowance</b>		<b>320,893.29</b>		<b>320,893.00</b>	<b>641,786.29</b>
<b>Subgroup : [10A] Other - Medicare</b>					
54.522	X-RAY REVENUE-M	(3,016.62)		(3,017.00)	(6,033.62)
54.528	ADJSTMNT TO REV-X-RAY	3,016.62		3,017.00	6,033.62
			RJE - 3	3,017.00	
<b>Subtotal [10A] Other - Medicare</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [10B] Other - Non-medicare</b>					
54.028	LAB ADJ TO REV	(13,693.47)		(13,693.00)	(27,386.47)
54.097	LABORATORY EXPENSE-P	13,693.47		13,693.00	27,386.47
			RJE - 3	13,693.00	
<b>Subtotal [10B] Other - Non-medicare</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [18] Other Revenue</b>					
53.497	OXYGEN EXPENSE-PURCH	(1,027.00)		(1,027.00)	(2,054.00)
53.498	Oxygen adjustment	1,027.00		1,027.00	2,054.00
			RJE - 3	1,027.00	
58.250	Purchase Discount	(578.15)		0.00	(578.15)
<b>Subtotal [18] Other Revenue</b>		<b>(578.15)</b>		<b>0.00</b>	<b>(578.15)</b>
<b>Total [30] Statement of Revenue</b>		<b>(5,439,383.50)</b>		<b>0.00</b>	<b>(5,439,383.50)</b>
<b>Group : [99] Balance Sheet</b>					
<b>Subgroup : None</b>					
10.100	CASH- PETTY CASH	1,270.66		0.00	1,270.66
10.105	CASH - REC	75.00		0.00	75.00
10.110	CASH - OPERATING ACCOUNT	203,552.75		0.00	203,552.75

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10.140	CASH - PAYROLL ACCOUNT	2,613.47		0.00	2,613.47
10.170	CASH - Project Holding Account	138,776.51		0.00	138,776.51
11.100	Private	223,959.27		0.00	223,959.27
11.120	Medicare	79,417.28		0.00	79,417.28
11.130	Medicaid	259,400.84		0.00	259,400.84
11.160	Commercial	90,256.13		0.00	90,256.13
11.170	ALLOWANCE FOR BAD DEBT	(10,250.00)		0.00	(10,250.00)
11.486	DUE FROM AFFILIATES	443,885.28		0.00	443,885.28
14.310	INSURANCE - PROPERTY	7,346.33		0.00	7,346.33
14.320	INSURANCE - LIABILITY	6,760.00		0.00	6,760.00
15.000	LAND	25,000.00		0.00	25,000.00
15.050	LAND IMPROVEMENTS	103,178.97		0.00	103,178.97
15.100	BUILDINGS	61,013.06		0.00	61,013.06
15.110	BUILDING IMPROVEMENTS	594,514.37		0.00	594,514.37
15.120	BUILDING ADDITION	774,191.21		0.00	774,191.21
15.125	Work in Process	68,244.52		0.00	68,244.52
15.250	FURNITURE & EQUIPMENT	131,814.05		0.00	131,814.05
15.253	OFFICE EQUIPMENT	69,814.26		0.00	69,814.26
15.254	KITCHEN EQUIPMENT	34,488.09		0.00	34,488.09
15.255	LAUNDRY EQUIPMENT	3,738.13		0.00	3,738.13
15.256	NURSING EQUIPMENT	112,923.45		0.00	112,923.45
15.257	HOUSEKEEPING	4,608.31		0.00	4,608.31
15.280	MINOR EQUIPMENT	22,023.00		0.00	22,023.00
16.050	LAND IMPROVEMENTS	(60,673.85)		0.00	(60,673.85)
16.100	BUILDINGS	(1,236,496.46)		0.00	(1,236,496.46)
16.256	NURSING EQUIPMENT	(365,359.46)		0.00	(365,359.46)
16.404	REFINANCING CLOSING COST A	5,909.00		0.00	5,909.00
21.000	TRADE ACCOUNTS	(266,877.24)		0.00	(266,877.24)
21.331	PAYROLL ACCRUED	(72,193.35)		0.00	(72,193.35)
21.921	STATE EXCISE OR B & O TAX	(90,869.00)		0.00	(90,869.00)
22.511	NOTES & LOANS	(219,534.00)		0.00	(219,534.00)
22.531	2011 FORD F350	(36,616.64)		0.00	(36,616.64)
22.730	Renovation Loan Citizens Bank	(459,272.91)		0.00	(459,272.91)
22.740	Septic Loan Citizens Bank	(173,450.44)		0.00	(173,450.44)
29.501	Distribution TPZ, MPZ	246,673.99		0.00	246,673.99
29.502	Distribution JZ	24,300.00		0.00	24,300.00
35.101	COMMON STOCK	(5,000.00)		0.00	(5,000.00)
35.301	RETAINED EARNINGS	(261,725.35)		0.00	(261,725.35)
<b>Subtotal : None</b>		<b>481,429.23</b>		<b>0.00</b>	<b>481,429.23</b>
<b>Total [99] Balance Sheet</b>		<b>481,429.23</b>		<b>0.00</b>	<b>481,429.23</b>
<b>Sum of Account Groups</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Net (Income) Loss</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>



Client: Cobalt Lodge  
 Engagement: Medicaid - Cobalt Lodge 2016 Cost Report  
 Period Ending: 9/30/2016  
 Trial Balance: A.01 - TB-CCNH  
 Workpaper: H.01 - Reclassifying Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 1</b>		<b>D.01</b>		
To reclass subscriptions to the correct account				
89128	DUES & SUBSCRIPTIONS		1,333.00	
89125	DUES & SUBSCRIPTIONS			1,333.00
<b>Total</b>			<b>1,333.00</b>	<b>1,333.00</b>
<b>Reclassifying Journal Entries JE # 3</b>		<b>H.02</b>		
To record ancillaries for 2016				
51.038	Pharmacy Contra Medicaid		73,381.00	
52.028	ADJ TO REV-PHY THER		342,236.00	
53.498	Oxygen adjustment		1,027.00	
54.097	LABORATORY EXPENSE-P		13,693.00	
54.528	ADJSTMNT TO REV-X-RAY		3,017.00	
55.068	ADJ TO REV-OCCUP THERAPY Med B		320,893.00	
55.528	ADJ TO REV-SPEECH THERAPY		121,946.00	
51.032	PHARMACY - Medicaid			73,381.00
52.022	PHYS THERAPY REV-Med A			342,236.00
53.497	OXYGEN EXPENSE-PURCH			1,027.00
54.028	LAB ADJ TO REV			13,693.00
54.522	X-RAY REVENUE-M			3,017.00
55.093	OT SALARIES THERAPIES			320,893.00
55.522	SPEECH THER REVENUE			121,946.00
<b>Total</b>			<b>876,193.00</b>	<b>876,193.00</b>
<b>Reclassifying Journal Entries JE # 4</b>		<b>J.04</b>		
To reclass auto insurance				
Marcum 101	Automobile Insurance		4,323.00	
92.243	INSURANCE - PROPERTY & AUTO			4,323.00
<b>Total</b>			<b>4,323.00</b>	<b>4,323.00</b>
<b>Reclassifying Journal Entries JE # 5</b>		<b>D.02</b>		
To reclass phone systems lease				
83.161	EQUIPMENT RENTAL		2,363.00	
89.171	TELEPHONE			2,363.00
<b>Total</b>			<b>2,363.00</b>	<b>2,363.00</b>



**MYERS AND STAUFFER**  
L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

Workpaper Index: 400.2

Prepared By:

Reviewed By:

Workpaper Date: 2/2/2017

Run Date: 2/2/2017

Provider Name: Cobalt Lodge Health & Rehabilitation Center

Provider Number: 8136

Period Ended: 9/30/15

Name of Workpaper: VHCL CKLST

**VEHICLE COMPLIANCE CHECKLIST**

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

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

**Conclusion:**